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**INCOME WITHHOLDING, MEDICAL SUPPORT,  
AND SERVICES TO NON-AFDC CASES  
AFTER THE CHILD SUPPORT ENFORCEMENT  
AMENDMENTS OF 1984**

**EXECUTIVE SUMMARY**

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## EXECUTIVE SUMMARY

Ensuring that **all** American children not living with both parents receive adequate child **support** has been and continues to be an important area of public concern. Approximately 40 percent of mothers with children of noncustodial fathers do not have a **child** support order, and another 26 percent do not receive **full** payments on the support orders that do exist. The cornerstone of the nation's policies to ensure adequate child support is the Child Support Enforcement (or IV-D) program, first enacted in 1975 as Title **IV-D** of the Social Security **Act**. The IV-D program provides a broad range of services to increase the incidence of child support orders and to ensure that such orders are enforced more effectively. These **services** are available to **AFDC** families and to **non-AFDC** families who apply for services.

Disappointed by the progress of the IV-D Program by 1984, Congress enacted the Child Support Enforcement Amendments of **1984**, which included several key provisions to strengthen the services **available** under the program:

- That **child** support be **withheld** automatically from the wage income of obligors when their support payments have become delinquent (or, at the option of states, immediately when support orders are awarded)
- That requests for medical support be part of child support petitions, and that information on obligors' medical insurance coverage be collected
- That various policies be implemented to encourage **services** to non-AFDC cases
- That each state develop either advisory or presumptive guidelines for setting child support orders
- That expedited processes be used to establish and enforce awards
- That state tax-refund **offsets** and liens be used as collection procedures

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NOTE: For more detailed information on **the** topics addressed **in** this Executive Summary, refer to:

Cordon, Anne, et al. "Income Withholding, Medical Support, and Services to Non-AFDC Cases After the Child Support Enforcement Amendments of 1984." Princeton, NJ: **Mathematica** Policy Research, May 1991.

This Executive Summary reports the findings of a study on the effects of three of the most important provisions of the 1984 Amendments: (1) mandatory income withholding, (2) stronger procedures for establishing and enforcing medical support orders, and (3) provisions for encouraging services to non-AFDC **cases**.<sup>1</sup> The goal of the study was to assess the implementation and outcomes of the 1984 Amendments as they pertained to these provisions, and to describe how implementation varied both across and within states.

The analysis draws on seven sources of information: (1) a survey of staff in 30 local IV-D offices in 11 states (29 offices responded); (2) case-records data from approximately 1,900 IV-D cases with orders in those 30 offices; (3) State Employment Security Agency (SESA) records **data** on the earnings of **obligors** in the case records sample; (4) the Current Population Survey Child Support Supplements (CPS-CSS), conducted bi-annually since 1979; (5) discussions with **advocates** for custodial parents; (6) IV-D program data compiled by the Federal Office of Child Support Enforcement (OCSE); and (7) a review of the literature on child support enforcement. The report does not include data from OCSE audits.

The sample of cases with orders from the 30 offices in the 11 states is broadly indicative of cases in all states and offices, but it is not statistically representative of IV-D cases with orders nationally. Furthermore, the estimates are subject to sufficient sampling error that they should be considered approximate, and differences in the estimates for population subgroups (for example, comparisons between AFDC and non-AFDC cases) should be interpreted as meaningful only if those differences are substantial. The following sections summarize the **findings** of the study in each of the three areas covered by the project.

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<sup>1</sup>The evaluation was also to examine the use of **guidelines**, **expedited** processes, and federal and state tax refund intercepts. These topics were subsequently dropped, because the relevant data were not systematically available in case **files**. Also, this study does not examine the child support provisions of the Family Support Act of 1988, which had not been fully implemented when the data for this study were collected.

## INCOME WITHHOLDING

The **1984** Amendments required that income withholding be initiated in all cases whose **support** payments are in arrears by an amount equal to one month or more. The Amendments also allowed states to implement immediate wage withholding when support orders are issued, without waiting for the accrual of arrears.

Since the implementation of the **1984** Amendments, the amount of support collections obtained through income withholding has increased dramatically. In constant dollar terms, average withholding **collections** per case have increased by 91 percent for AFDC cases and by 73 percent for non-AFDC **cases**. Nevertheless, withholding cannot always be used as a collection tool, because some obligors are unemployed, some change their jobs frequently, and some have income sources that cannot be reached through withholding.

Based on the opinions of agency staff and on data from the case files, the difficulty of obtaining information on the obligor's employer or employment status and the timeliness of such information are major barriers to implementing withholding. Agency staff in half of the offices surveyed mentioned this problem. Case **file** data **reveal** that IV-D agencies often lack information on the obligor's employment status in cases whose arrears are at the amount which triggers withholding. For example, the case files of 42 percent of AFDC cases whose payments were in arrears did not indicate whether the obligor was **employed**.<sup>2</sup> In 16 percent of AFDC cases whose payments were in arrears, the SESA wage records indicated that the obligor was employed, but the case file did not contain evidence of employment, often implying that the IV-D agency had failed to learn that the obligor was employed.

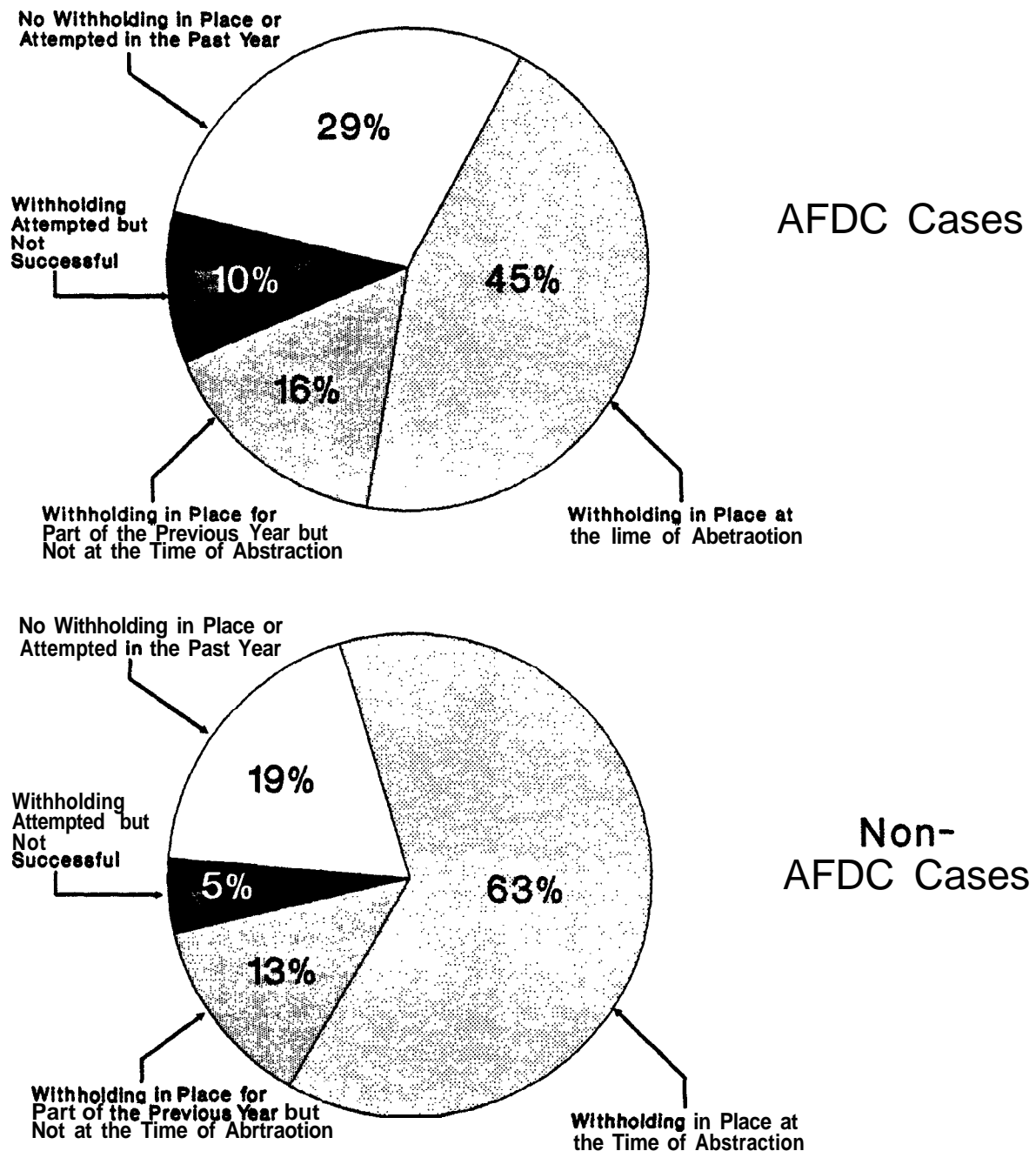
As seen in Figure 1, when both the case files and SESA wage records contained evidence of employment, withholding had been attempted or established during the preceding year for 71 percent

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<sup>2</sup>The figures in this and the next two paragraphs illustrate our conclusions using data for cases that are not subject to immediate withholding. However, similar results apply to cases that are subject to immediate withholding.

FIGURE 1

# THE SUCCESS OF WITHHOLDING FOR CASES WITH AT LEAST ONE MONTH OF ARREARS AND STRONG EVIDENCE OF EMPLOYMENT



**SOURCE:** MPR case records abstracts of active IV-D cases with orders. The abstractions were done from February to November 1990. There were 128 AFDC cases and 206 non-AFDC cases with at least one month arrears and evidence of employment in both the case files and SESA records. Data are contained in Table III.10 of Gordon, et al. (1991).

**NOTE:** Data are for cases not subject to immediate withholding.

of **AFDC cases with arrears** and 81 percent of non-AFDC cases with arrears. **Withholding** attempts failed for 10 percent of AFDC cases and for 5 percent of **non-AFDC** cases. Some of these failed attempts may have been due **to the** fact that the available employment information was dated. At the time that the study data were collected, withholding had occurred in the preceding year but had recently ceased for 16 **percent** of AFDC cases and 13 percent of non-AFDC cases.

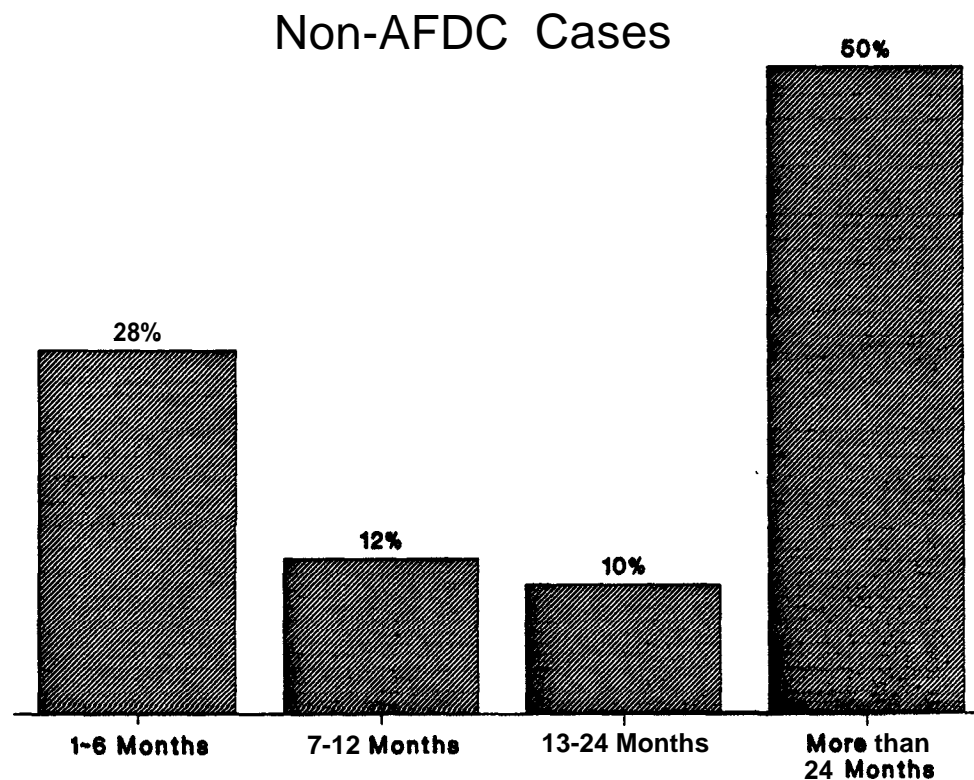
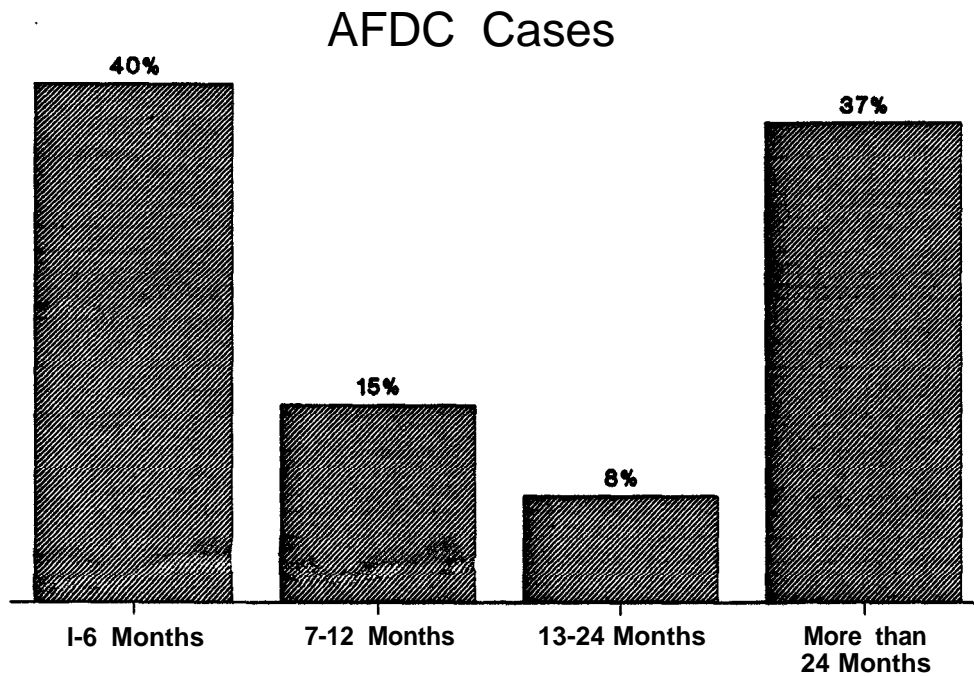
When the **SESA** wage records but not the case files contained evidence of employment-again, often implying that the IV-D agency had no knowledge of the obligor's employment-withholding had been attempted in the preceding year only for 33 percent of AFDC cases with arrears and 26 percent of non-AFDC cases with arrears. When neither source contained evidence of employment--often implying the obligor was unemployed--withholding had been attempted in the preceding year only for 10 percent of AFDC cases with arrears and 11 percent of non-AFDC cases with arrears.

The short duration of many withholding spells provides evidence that job instability is an important constraint on the effectiveness of this collection technique. The withholding spells of 40 percent of the AFDC cases in the sample had ended within the first six months (Figure 2); the comparable figure for non-AFDC cases is 28 percent. While many spells ended early, a substantial number of spells lasted longer than 24 months (37 percent of **AFDC** spells and 50 percent of **non-AFDC** spells). The median duration of a withholding spell was 11 months for AFDC cases and **25** months for **non-AFDC** cases. About half of the withholding spells clearly ended because the job ended; for most of the others, the case files did not provide an explanation.

While the unemployment of and loss of jobs by obligors are external constraints on the effectiveness of withholding, many offices use procedures that may prolong the time necessary for implementing withholding:

- Applying manual rather than automated procedures for tracking arrears and withholding payments and for issuing notices

FIGURE 2  
ESTIMATED DURATION OF  
WITHHOLDING SPELLS



SOURCE: MPR case records abstracts of active IV-D cases with orders. The abstractions were done from February to November 1990. There were 322 AFDC withholding spells and 592 non-AFDC withholding spells. Data are contained in Table III.19 of Gordon, et al. (1991).

- Having payments and arrears tracked by an agency that differs from the agency that implements withholding (the dispersion of payment and tracking **responsibility** will also affect the feasibility of automation)
- Involving the courts or other agencies outside the IV-D agency in issuing withholding orders (although some “pro forma” involvement may only slightly increase processing times)
- Imposing documentation requirements for interstate withholding requests that go beyond federal requirements

Contrary to federal regulations, the **support amounts** withheld in many cases do not include payments to reduce existing arrears. For AFDC withholding cases, only approximately 43 percent of withholding amounts included money for arrears, despite the fact that 75 percent of AFDC withholding cases had arrears. For non-AFDC withholding cases, approximately 38 percent of the withholding amounts included money for arrears, even though 72 percent had arrears. The staff survey indicated that the Consumer Credit Protection Act limits were not a large factor in the lack of payments toward arrears.

Because the Family Support Act of 1988 has recently mandated immediate income withholding, a policy-relevant comparison can be drawn between the effectiveness of state laws passed before 1988 that required immediate withholding in most cases and the effectiveness of laws that required withholding only in response to delinquency. A regression analysis of the effect of immediate withholding laws indicated that legal requirements to use immediate withholding increased the incidence of withholding by approximately 8 percentage points, after case characteristics were controlled for. However, the analysis found no statistically significant effect of immediate withholding laws on support collections. These results reflect **the** combined effect of the legal requirements and how the requirements have been implemented. In particular, it is important to note that immediate withholding has sometimes been used in individual **cases** even when not required by law.



Based on these **findings**, we make the following recommendations:

- OCSE should undertake a more detailed study of the obstacles to obtaining employment information. States should be encouraged to make **SESA earnings** data easily available to line caseworkers. In addition, OCSE should consider how the use of other sources of employment information can be expanded.
- OCSE should investigate the reasons that withholding amounts frequently do not include payments on arrears, and take additional actions to enforce federal regulations in this area.
- OCSE should consider how procedures can be modified to improve the ability of IV-D offices to restart withholding when the **obligor** has a break in employment.
- OCSE should encourage state and local **IV-D** agencies to streamline **withholding** procedures as much as possible.

## **MEDICAL SUPPORT ENFORCEMENT**

The 1984 Amendments require **that, in** support order establishment actions in which the children are covered by **Medicaid**,<sup>3</sup> **IV-D** agencies petition the court for medical support if coverage is available at “reasonable cost.” If medical support is ordered, the **IV-D** agency must enforce the medical support order. In addition, the agency must collect and transmit information on the obligor’s health insurance coverage to the Medicaid program.

The proportion of cases with orders whose **IV-D support petitions** contain requests for medical support has increased substantially since the 1984 Amendments. However, petitions for medical support remain far from universal (Figure 3). In our sample of cases whose child support orders were set after January 1, 1987, the support petitions of 58 percent of **AFDC** cases and 54 percent of **non-AFDC** cases contained requests for medical support

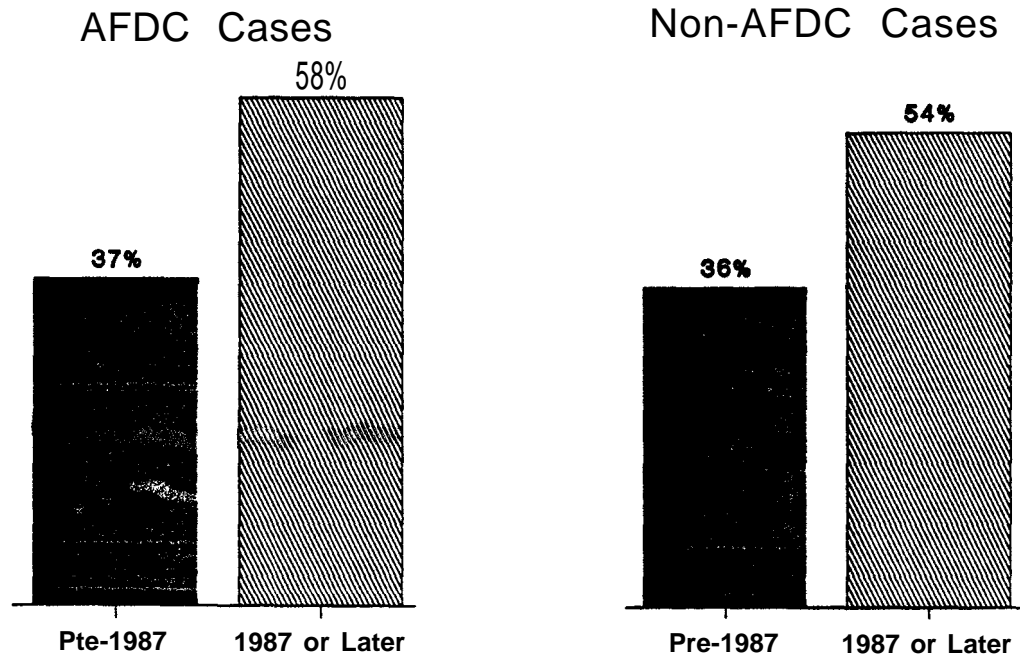
The prevalence of medical support orders has also increased substantially since the 1984 Amendments. The child support orders of 64 percent of both AFDC and non-AFDC cases which were set after January 1, 1987 included medical support orders. In part, the increase from the **pre-**

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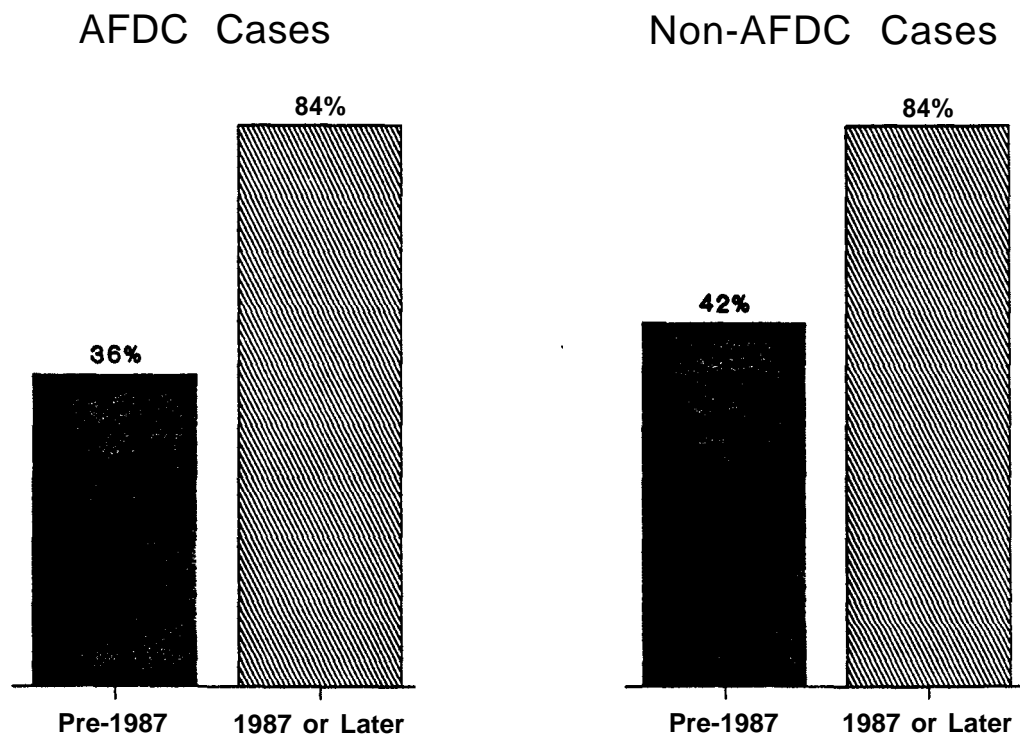
<sup>3</sup>The agency must file medical support petitions for non-Medicaid cases if the obligee requests this service.

# FIGURE 3 PREVALENCE OF MEDICAL SUPPORT PETITIONS AND ORDERS

## Percent of Cases with Petitions for Medical Support



## Percent of Cases with Orders for Medical Support



SOURCE: MPR case records abstracts of active IV-D cases with orders. The abstractions were done from February to November 1990. The estimates are based on 595 AFDC cases and 1,082 non-AFDC cases. The data are contained in Table IV.8 of Gordon et al. (1991).

1987 period reflects the increase in petitions that request medical support. However, it also reflects new state laws which mandate that judges consider including medical support in all orders, even if medical support **is** not requested by petition. An **effect of** these laws is that some cases have medical support orders even though their petitions did not request medical support.

However, an order for medical support does not always mean that such support is provided. **Obligors** may be unable to obtain coverage at a reasonable cost, or may **otherwise** fail to provide the ordered medical insurance. Data **from** the 1988 **CPS-CSS** indicate that, among families with medical support orders, 55 percent of **AFDC** families and 39 percent of non-AFDC families who had sought child-support-enforcement assistance from a government agency were receiving the medical support that was ordered.

IV-D offices collect very little information on the availability and provision of medical insurance. This lack of information **seriously** limits the program's ability to enforce medical support obligations and to recover Medicaid costs. Only 13 percent of the case files contained information on the insurance coverage available to the children. Offices do not regularly send insurance information to the Medicaid agency, even for the few cases in which this information is obtained. Only 2 percent of AFDC case files contained any indication that medical support information had been transmitted to the Medicaid agency.

Several barriers impede increasing the level of medical support for children: a lack of coordination among agencies, insufficient **staffing**, insufficient office automation, limited enforcement powers, and state laws that permit insurance companies not to cover children who do not live with the obligor.

To enhance establishing and enforcing medical support obligations, we recommend that Congress and OCSE consider the following:

- Clarifying **responsibility** for collecting third-party liability information for Medicaid cases, and enforcing cooperation among the agencies involved (Medicaid, welfare, and IV-D)

- Encouraging state IV-D agencies to place higher priority on medical support enforcement
- Working with states to ensure the use of automated systems that include medical insurance information, to strengthen enforcement remedies in state laws, and to revise state insurance laws that allow companies to refuse coverage to dependents not living with the **obligor**

## SERVICES TO NON-AFDC CASES

The 1984 Amendments contained several provisions to encourage IV-D agencies to provide services to non-AFDC cases. For the first time in the IV-D program, the 1984 Amendments provided federal incentive payments to reward non-AFDC collection performance. In addition, the Amendments expanded the range of **services** that **IV-D** agencies are required to make available to non-AFDC applicants. The Amendments led to a very rapid growth in the number of non-AFDC cases in the **IV-D** system--a 97 percent increase in the number of non-AFDC cases between **FY85** and FY89. Despite this rapid increase in the caseload, the IV-D system was able to allocate **sufficient** resources to these cases to keep non-AFDC collections per case (in real terms) roughly constant over the period.

Accompanying the growing non-AFDC caseload was an increase in the extent to which **non-AFDC** mothers reported receiving services. The CPS-CSS data indicate that between 1985 and 1987 the number of support-eligible non-AFDC mothers who reported receiving help increased by 63 percent, from **708,000** to **1,151,000**. In 1987, those receiving help constituted two-thirds of the support-eligible non-AFDC mothers who sought services (a group that is a reasonable proxy for mothers in the IV-D system). This fraction was 19 percent higher than in 1985, before the 1984 Amendments took effect. In addition, award and payment levels for **all** non-AFDC mothers, and for **non-AFDC** mothers who had sought help from IV-D agencies, increased between 1985 and 1987.

Nevertheless, the potential need for non-AFDC services remains large. According to the 1988 CPS-CSS, 34 percent of support-eligible **non-AFDC** mothers lacked awards as of 1987. Another 27 percent did not receive the full support payments that were due to them. Of course, IV-D agencies

**serve** only non-AFDC custodial mothers who apply for services or who are former AFDC cases. Many non-AFDC mothers may prefer not to pursue child support or to use private attorneys. Among non-AFDC mothers who reported contacting a government **agency** for help with child support, 22 percent lacked awards, and 49 percent did not receive full payment.

One factor that limits access to IV-D services by **non-AFDC** custodial parents is that, contrary to federal regulations, many local offices limit the range of **services** that **they** provide in some situations. Most importantly, offices frequently limit the range of services to obligees who have private attorneys; for instance, many IV-D offices will not provide them with such services as paternity establishment, initial order establishment, and defense against a downward support order modification. Some offices will not even provide federal tax-refund intercepts, which are available only through IV-D agencies.

While the intent of Congress in **1984** appears to have been to make the IV-D program widely available, many offices continue to believe that the program is largely for low-income obligees. We recommend that federal policymakers consider how these conflicting goals can be resolved. If the objective is to make services universally available, OCSE should enforce the requirement that all services be provided to all applicants-particularly **services** that are not available outside the IV-D system, such as the federal tax-refund offset program. On the other hand, at any given level of resources, it would be possible to target the non-AFDC program more effectively to those who need it the most. For example, higher priority could be given to paternity and support order establishment (services required more often by disadvantaged non-AFDC obligees), or sliding-scale fees for services could be used more widely.

## CONCLUSION

Overall, the available evidence suggests that the income withholding, medical support, and non-AFDC service provisions of the 1984 Amendments strengthened the IV-D program. In addition, the IV-D program has grown to serve a much larger proportion of families eligible for child support.

However, the level at which these provisions have been implemented varies across program offices, and, in general, substantial room for improvement still exists, **It is likely** that more vigorous federal oversight of case processing, as well as **federal leadership in encouraging states to streamline procedures and** to increase or more efficiently manage the **resources** available to the **IV-D** program, would improve **outcomes** even further. Our hope is that the information provided by this study on the strengths and weaknesses of the **IV-D system will help OCSE direct** future policy in these areas more effectively, including the implementation of the child support provisions of the Family Support Act of 1988.

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AMENDMENTS OF 1984

VOLUME I

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## ACKNOWLEDGMENTS

This report is the culmination of a collaborative effort involving **staff** from **Mathematica** Policy Research, Inc. (MPR), Policy Studies, Inc. (PSI), and other organizations, as well as input from the Office of Child Support Enforcement (OCSE). David Amaudo (OCSE) was the project officer for the project and provided guidance throughout the evaluation. James Ohls (MPR) directed the project for most of its course and, along with Robert **Williams** (PSI), designed the evaluation. Craig Thornton directed the project during its final year. James Ohls, Anne Gordon, Philip Robins, and Mark Dynarski translated the design into specific analysis plans. Jessica Pearson (Center for Policy Research) provided advice on child support guidelines. John **Homrighausen** directed the data collection effort, including the case-records abstractions, local office surveys, and collection of data from state employment security files. Steven **Rioux**, Rhoda Cohen, and Betty **Schulte** supervised the field work in the states. Nancy Graham conducted the discussions with the advocates of custodial parents and prepared the associated report.

We are grateful to the following staff members of OCSE and the Department of Health and Human Services for valuable comments on the draft version of this report: Robert Harris, Karl Koerper, Gaile Mailer, Betsy Matheson, and Linda **Mellgren**.

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A staff of over 40 **abstractors** from across the country completed the abstraction forms in the local offices. Gail Kohn conducted the quality review and **final** coding of the abstraction forms, with assistance **from** Valarie Piper. Dexter Chu **provided** the programming support for the project, while Marianne Stevenson and Barbara **DiClemente** supervised the data entry process. Denise Dunn, Debra Jones, Gloria **Gustus**, and Monica **Capizzi** provided exceptional report production support.

Of course, the efforts of all these persons would have been for naught if not for the cooperation of the directors and staff in the child support enforcement offices in the 30 **offices** and 11 states where we collected data. These staff provided sample lists, provided access to and training in interpreting case files, filled out **staff** surveys, and provided data from State Employment Security Agency wage records.



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## I. INTRODUCTION AND SUMMARY OF FINDINGS

Since its inception in 1975 under Title IV-D of the Social Security Act, the Child Support Enforcement (IV-D) Program has become a cornerstone of America's strategies for fostering the income security of children. Since **FY84**, caseloads have grown by 48 percent, and total support collections in constant dollars have grown by **85** percent, according to OCSE program data. Moreover, two major and several minor legislative enhancements have been made to the program.

Child support enforcement has figured prominently in efforts to reduce **AFDC** and Medicaid expenditures and to prevent welfare dependency, but is also seen as a program for middle-income families and heralded as a way to foster private rather than public responsibility for the income security of children. In **FY89**, the IV-D program spent approximately \$1.4 billion to collect \$5.2 billion in support for over 2.1 million cases, established paternities for about 336,000 children, located almost 1.6 million absent parents, and established support obligations for about 936,000 families (Office of Child Support Enforcement, 1990).

Within this context of growth and development, the Child Support Enforcement Program is now beginning to implement the child support provisions of the **Family Support Act of 1988** before fully adjusting to the changes mandated under the Child Support Enforcement Amendments of 1984. Thus, it is appropriate that this report assess the status of child support enforcement as it was provided following the implementation of the **1984** Amendments but before the provisions of the 1988 law took effect. This assessment provides a summary of the changes effected by the 1984 Amendments and a benchmark for considering the implementation of the Family Support Act provisions. It highlights a number of dramatic accomplishments for the program and discusses some areas that can still be improved. In addition, it examines the variation in child support enforcement **practices across and within states in** order to provide some tentative judgments about effective ways to accomplish the program goals.

The assessment focuses on three aspects of the program that were introduced or greatly modified by the 1984 Amendments: income withholding, medical support enforcement, and **services to non-AFDC** families. The authority to withhold child support from wages and other regular income was seen as a powerful way to increase the extent to which support orders were actually paid. A new emphasis on medical support was intended to help alleviate the **financial** burdens of child health care that fall on custodial parents and, for children on public assistance, on the government. The mandate to provide non-AFDC custodial parents with better access to the IV-D program was intended to promote their income security in response to growing rates of **divorce** and out-of-wedlock births, and to prevent them from falling into dependency on public assistance.

This introduction continues with an overview of the IV-D system and of the specific program components that are being studied. The introduction also reviews the analytic approach and data used in this report and provides an overview of the major findings of the study. Chapter II then provides a more detailed discussion of the characteristics of the states, local offices, and cases included in the study, and the precision and **generalizability** of the results based on that sample. The following chapters then examine the implementation and outcomes of the three aspects of the 1984 Amendments that we assessed: income withholding (Chapter III), medical support (Chapter IV), and services to non-AFDC cases (Chapter **V**). Appendices provide further details on the sampling procedures used to select the states, offices, and cases that were included **in** the study (Appendix A), the procedures used to collect the data (Appendix B), supplemental data tables (Appendix C), and discussions with advocates for custodial parents (Appendix **D**).

## A THE CHILD SUPPORT ENFORCEMENT SYSTEM BEFORE AND AFTER THE 1984 AMENDMENTS

Child support enforcement policy, as it has evolved in the past 20 **years**, **calls** for an array of **services** intended to establish more orders for child support, to raise the *amount* of support ordered, and to increase the collection of support that is owed. The key services include (1) location services

to identify and locate noncustodial parents, (2) paternity establishment for cases in which the parents were never married, (3) the establishment of support obligations, (4) the enforcement of support obligations, and (5) the *collection* and disbursement of funds received on behalf of the custodial parents. (Table I.1 provides more in-depth descriptions of these **services**.)

Prior to the **1970s**, child support matters were **almost** completely under the domain of state family law. Child support enforcement policy at the federal level basically started with the passage of Title IV-D of the Social Security Act in **1975**, which established federal funding for each state to operate a Child Support Enforcement (IV-D) program, mandated to serve all AFDC recipients and others who applied for support enforcement services. The next major policy change was the passage of the 1984 Amendments, which encouraged the use of guidelines to set awards, required that the states expedite processes to meet mandated time standards, and mandated that state programs use stronger enforcement tools. Since 1984, Congress has passed several other laws that have affected child support enforcement, the most far-reaching of which is the Family Support Act (FSA) of **1988**, which strengthened and extended many of the policy changes begun under the 1984 Amendments. Throughout this period, state laws and procedures governing child support have evolved as **well--** sometimes leading and sometimes responding to federal policy changes.

#### 1. Child Support Enforcement Before the 1984 Amendments

Title IV-D of the Social Security Act, passed in **1975**, mandated that all states operate a child support enforcement program for all AFDC cases, and for **all** non-AFDC applicants who requested services. Under the law, states were required to provide services to locate absent parents, establish paternity, obtain child support orders, and enforce child support orders. The federal government offered a generous rate of financial reimbursement for the program's administrative costs--75 percent through fiscal year **1982**, and then 70 percent in **fiscal** years **1983** and **1984**. In addition, the government offered incentive payments to the states based on their level of collections per AFDC case. Title IV-D also established the federal Office of Child Support Enforcement (OCSE) to



TABLE 1.1

MAJOR **CHILD** SUPPORT ENFORCEMENT **SERVICES** PROVIDED BY STATES  
UNDER **THE** IV-D PROGRAM

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Location Services

**Services to identify and locate noncustodial parents and their assets for the purpose of establishing paternity and/or obtaining support.** These efforts can draw on state and federal parent locator services which have access to address information **from** state and federal data **files** on individuals, including Social Security Administration earnings records, Internal Revenue Service tax records, motor vehicle registrations, and all branches of the military.

Paternity **Establishment**

**The establishment of the legal responsibility of the noncustodial father for his child(ren) in cases where the parents were never married.** Paternity may be established administratively through a voluntary admission of paternity by the father, or through a formal legal procedure. Paternity establishment is a necessary precondition for establishing a child support order.

Establishment of Support **Obligations**

**Petitioning the court or administrative agency and otherwise representing the custodian for the purpose of obtaining a legal & binding order that requires support for the child(ren).** The IV-D agency may be involved in establishing an initial support order, or in assisting in the modification of an existing order.

Enforcement of Support Obligations

**Actions devoted to securing the fulfillment of established child support obligations.** The most widely used enforcement actions are:

**Income Withholding.** Income withholding is an enforcement technique in which the court or administrative agency orders an employer to withhold and transmit part of an **obligor's** earnings to an agency designated by the state for the support of the **obligor's child(ren)**. If state law permits, child support can be **withheld** from other sources of income as well. **Immediate income withholding is** established at the time of the initial order, rather than in response to arrears or other action.

**Contempt-of-Court Judgment.** Enforcement action against an **obligor** who willfully **fails** to comply with the child support order. Under a contempt-of-court action, the IV-D agency **files** a motion asking the **court** to order the obligor to show cause why he should not be held in contempt for failing to comply with the child support order. If the **obligor fails** to show cause, he can be fined or imprisoned until he meets the conditions set by the court to indicate compliance.

**Federal and State Tax Refund Offsets.** The interception **of any** federal or state tax refund to the obligor to pay accrued child support arrears.

**Collection and Disbursement** of Funds

**The collection and distribution of child support funds received on behalf of the custodial parents in the IV-D system.** Child support collected **on** behalf of **AFDC** recipients **is** used to reimburse the state and federal governments for AFDC costs, except for the **first** \$50 of current support per month, which is forwarded to the family. Child support **collected** for **non-AFDC** cases is distributed to the custodial parent, unless arrears are owed for past periods of AFDC receipt, in which case the state may retain payments on arrears.

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operate the Federal Parent Locator Service, to monitor state compliance with regulations, to coordinate policy, and to provide technical assistance.

Between 1975 and 1984, several other policy initiatives strengthened the IV-D program. In 1976, Congress established the Medicaid third party liability program (final regulations were issued in **1980**), and encouraged cooperation between Medicaid and IV-D programs to establish and enforce medical support obligations in Medicaid cases. In 1980, federal funding for services to non-AFDC cases was made permanent rather than subject to periodic reauthorization, and, in 1981, Congress passed a program for intercepting the federal tax refunds of obligors in arrears in **AFDC cases**.

## 2. The 1984 Child Support Enforcement Amendments

In response to statistics that showed major deficiencies in the incidence of child support orders and compliance with support obligations, Congress passed the Child Support Enforcement Amendments of 1984 to Title IV-D of the Social Security Act. The purpose of the 1984 Amendments was to improve enforcement **tools**, expedite establishing orders, increase the level of orders, and broaden the coverage of the Child Support Enforcement Program.

### a. Provisions of the 1984 Amendments and the **Implementing** Regulations

The 1984 Amendments changed many aspects of IV-D program operations. As noted, this study focuses on the following three provisions:

- The mandatory use of income withholding after delinquency (or at state option, immediately at the establishment of the order)
- The inclusion of petitions for medical support when child support obligations are established, and the collection of medical insurance information

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‘Other provisions of the 1984 Amendments not examined in this report include the following requirements: (1) that states develop either advisory or presumptive guidelines for setting child support orders; (2) that states use **expedited** processes for establishing and enforcing awards; (3) that states pursue enforcement through state tax refund **offsets**, liens, and other collection procedures; and (4) that states extend the period during which paternity can legally be established to the child’s 18th birthday.

- Various policy changes to encourage service-s to non-AFDC cases--most importantly, by extending federal Financial incentives to cover non-AFDC cases, as well as AFDC cases

A major objective of the **1984** Amendments was to increase the collection of child support that was owed. As one powerful tool to this end, the Amendments required that states order employers to withhold child support from the earnings of all **obligors** who fell behind in payments. This income withholding requirement applied to all Iv-D-enforced cases, and was to be included in all new or modified support orders (including orders for non-IV-D cases) established after a state implemented income withholding. Withholding was to be triggered as soon as the arrearage amount **equalled** one month of current support. At a state's option, withholding was permitted from sources of income other than earnings. Moreover, states were permitted to implement withholding immediately when an order was established, without waiting for arrears to accrue.

The purpose of the medical support provisions in the **1984** Amendments was to increase the establishment of medical support obligations in child support orders, and to improve the enforcement of medical support when ordered. Under the **1984** Amendments, the state or local IV-D offices are required to petition for medical support for AFDC recipients and other **obligees** who request this **service**.<sup>2</sup> The offices must request that obligors provide medical insurance for their children if the obligors can obtain coverage at "reasonable **cost**."<sup>3</sup> The federal regulations require that the state petition for medical support even if insurance coverage is not currently available. For Medicaid cases, the IV-D agency is required to collect and provide information on the obligor's health insurance to the Medicaid agency, inform Medicaid when the order includes medical support, and periodically check for lapses in the obligor's health coverage. The **IV-D** agency is also required to enforce

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<sup>2</sup>**Medicaid obligees** who are not on **AFDC** were required to cooperate with the IV-D agency to collect medical support under a 1987 law.

<sup>3</sup>**Such** coverage is deemed available if it can be obtained through a group plan or employer-related coverage.

medical support orders, but neither the federal law nor regulations specify the enforcement procedures.

Another objective of the 1984 Amendments was to strengthen the services available to **non-AFDC** custodial families. To this end, the 1984 Amendments explicitly required that **IV-D** agencies provide the same services available to AFDC cases to **all** non-AFDC families that request services. Furthermore, state IV-D programs were offered financial incentives for non-AFDC collections for the first time. In addition, the Amendments extended the use of the federal tax refund intercept to non-AFDC cases, required that states publicize the availability of non-AFDC services, and mandated an application fee for non-AFDC cases of up to a maximum of \$25. The 1984 Amendments also required that programs continue to provide services to families that lose AFDC eligibility, unless they request that their case be closed.

b. **The Implementation of the 1984 Amendments**

For several reasons, the implementation of the 1984 Amendments by the states was a gradual and complex process. First, the 1984 Amendments required that all states change their laws, as well as their IV-D procedures. Second, child support laws and administrative systems differ widely across the states. Third, some states passed laws to implement the **1984** Amendments before the final federal regulations were issued (or had similar laws in effect before **1984**), and, consequently, some state laws were not initially in full compliance with the regulations, and thus required further changes. Finally, some states were granted extensions or waivers of particular provisions.

All states were required to change their child support enforcement laws to implement the Amendments or face losing a portion of their federal funding for the state AFDC program.’ States

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<sup>4</sup>States were **also required** to pass laws (if **they** did not already exist) to establish expedited processes, to set up state tax refund offset programs, to permit the IV-D agency to place liens against real and personal property for overdue support, to permit requirements for posting security bonds to secure payment of overdue support, and to permit the transmittal of arrearage information to consumer reporting agencies. Finally, states were required to change their laws to allow paternity to  
(continued..)

were required to implement major provisions of the Amendments by October 1, 1985, or, if state legislation was required, by the fourth month after the end of the first legislative session after October 1985. The states implemented most provisions by the end of 1986, according to OCSE legislative tracking reports.

The federal **OCSE** has monitored the implementation of the 1984 Amendments in its annual reviews of State Plans, as well as in regular audit reviews. In recent years, **OCSE** has sent letters to several states to warn them that their State Plans would not be approved unless they took action to meet the mandatory provisions of Title **IV-D** as amended. These states have usually brought their State Plans into compliance by the close of the fiscal years following these notices. OCSE also monitors compliance with federal requirements through audit **reviews**.<sup>5</sup> While most states not in compliance with mandatory aspects of the IV-D program have complied within the one-year period allowed for corrective action, **OCSE** imposed financial penalties on two states in fiscal year 1988, and on four states in **fiscal** year 1989 (Office of Child Support Enforcement, **1987, 1988, 1989**, and 1990).

### 3. Changes in Federal Policy Since the 1984 Amendments

Since 1984, three pieces of legislation have been passed to strengthen the child support enforcement system, thereby complicating our assessment of the 1984 Amendments. The Family Support Act of 1988, by far the most important of these legislative changes, followed the Bradley Amendment of 1986 and changes in the medical support enforcement program required under the 1987 Omnibus Budget Reconciliation Act (OBRA). Although not yet fully implemented when the

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<sup>4</sup>(...continued)

be established until a child's 18th birthday. **In** particular, the Amendments required that states pass laws to allow income withholding in IV-D cases, and to mandate income withholding provisions in all new support orders (both **IV-D** and non-IV-D).

<sup>5</sup>**In** the audit review process, federal auditors check the state's required written procedures and review a sample of case records. A state is in substantial noncompliance with federal requirements if its written procedures are not in accordance **with** federal law and regulations, or if the state's **IV-D** program (as represented by the case sample reviewed) does not meet specific written criteria for performance developed by **OCSE**. Recent performance criteria require compliance with federal requirements in 75 percent of **identified** needed actions.

data for this study were collected, these legislative changes have influenced practices in states and localities. Consequently, our observations of the system in 1989 and 1990 cannot completely separate the effects of these later changes from the effects of the **1984** Amendments in the analysis.

a. The Family **Support** Act of **1988**

The Family Support Act of 1988 (the FSA) embodied a multi-faceted program to increase the self-sufficiency of families on AFDC. While the **FSA** included several major policy initiatives--a major employment program for AFDC recipients, known as the Job Opportunities and Basic Skills Training (JOBS) program, and the extension of Medicaid eligibility and child care subsidies for one year for AFDC recipients who leave AFDC for employment--improvements in the child support enforcement program were a key part of the welfare reform program embodied in the Act. The major child support enforcement provisions were as follows:

- States were to establish immediate withholding provisions in all new and modified IV-D orders starting in late 1990. Ultimately, immediate withholding is to be included in all new orders regardless of whether the orders are obtained through the IV-D system.
- Child support guidelines are to be used as rebuttable presumptions when orders are established or **modified**.<sup>6</sup>
- Starting in 1990, states are to develop plans for modifying existing support orders to adjust the orders to the guidelines; by 1993, orders in **AFDC** cases are to be reviewed at least every three years, and other IV-D orders are to be reviewed at any time either parent requests.
- Regulations must be established to set timeframes for providing particular services; these timeframes are then to be used to audit the performance of state programs.
- Standards must be developed for establishing paternity. Also, greater federal funding is provided for genetic testing, and civil processes for paternity establishment are encouraged.
- By 1995, all states must implement automated information management systems that meet federal standards.

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<sup>6</sup>“Rebuttable presumption means that the guidelines must be used unless a judge or administrative hearing offices issues a written finding that shows good cause that they not be used.

The change most closely related to the topics covered in this study is the requirement that immediate income withholding be established in all new or modified IV-D orders starting in November 1990, with exceptions allowed in cases of agreement between the parties or when the obligor shows good cause. The purpose of this change to immediate rather than delinquency-based income withholding is threefold: to facilitate identifying the employers or other sources of income of obligors, since obligors must provide this information during the initial court proceeding; to remove the stigma attached to withholding in response to delinquent payments; and to prevent the accumulation of arrears in the first place. Many states and localities had begun to use immediate withholding to some extent during the study period in anticipation of the implementation of this provision of the **FSA**. Immediate withholding must be applied to new orders in non-IV-D **cases in** 1994.

b. Other Changes in Federal Policy

The other important changes in federal child support policy during the study period are the **1986** Bradley Amendment and the **1987** Omnibus Budget Reconciliation Act (OBRA) provisions (and associated **1988** regulations) on medical support. The Bradley Amendment, part of the **1986** Omnibus Budget Reconciliation Act, required that child support arrears, as soon as they accrue, be given full judgment status by law, and that such judgments not be subject to retroactive modification. The Amendment removed from the courts the power to forgive some or all child support arrears. Such forgiveness had often been granted to obligors who made partial payments. The **1988** medical support regulations expanded the definition of “reasonable cost” insurance to include health maintenance organizations (**HMOs**) and similar health care providers. In addition, the **1988** regulations required that states develop procedures for identifying cases without medical support in which obligors are likely to be able to provide medical coverage, and pursue modifications of support orders to include medical support in those cases.

## B. THE EVALUATION SCOPE, METHODS, AND DATA

This assessment of child support enforcement examines the implementation and effects of three specific provisions of the 1984 Amendments: income withholding, medical support, and **services** to non-AFDC cases. Our analysis drew on seven sources of information:

- A survey of staff in 30 local IV-D offices in 11 states
- Case records data from approximately 1,900 IV-D cases with orders in those 30 offices
- State Employment Security Agency wage records data on the earnings of obligors in our case records sample
- The Current Population Survey Child Support Supplements (CPS-CSS), conducted biannually since 1979
- Discussions with advocates for custodial parents
- IV-D program data compiled by the federal Office of Child Support Enforcement (OCSE)
- A review of the literature pertaining to child support enforcement

Our approach was to draw on the different perspectives provided by these information sources in order to construct an overview of how the three child support enforcement provisions highlighted earlier are carried out. The extent of implementation was then compared with the standards provided in the 1984 Amendments and implementing regulations, and with the benchmark provided by previous experience. Our conclusions about the system reflect an examination of all the data sources, as well as comparisons with the law and with previous practice.

For each of the three child support enforcement issues being addressed, we begin our assessment by reviewing the specific provisions in the 1984 Amendments that pertain to the issue. We then use the office survey data to develop a **profile** of how those provisions are being implemented in our sample of states and offices, and we use the case records data to examine the outcomes of those procedures for IV-D cases with support orders. We use the CPS-CSS data to assess the implications of the provisions for broader populations, particularly populations that include custodial parents who



are outside the **IV-D** system and families without support orders. The **OCSE** program data, discussions with advocates for custodial parents, and previous studies of child support enforcement issues provide supplemental, contextual information.

Our assessment applies **strictly** to the 30 offices and 11 states in which we collected detailed information on child support enforcement practices. These offices and states constitute one of the largest samples ever used to assess the IV-D system and reflect the general level of diversity in the IV-D system. Nevertheless, the sample is not statistically representative of all states and offices. Consequently, the findings of this analysis suggest the overall level at which income withholding, medical support, and services to non-AFDC cases have been implemented, and indicate the general extent to which implementation has varied across states and offices. However, specific estimates, such as the number of cases with a certain characteristic or the proportion of offices that follow a given procedure, may not fully represent the corresponding number or proportion for the entire IV-D system. Chapter II examines these issues in more detail.

#### 1. Research Questions and Approach

While the specific research questions that are addressed for income withholding, medical support, and services to **non-AFDC cases** differ slightly, the assessment generally examines the five following research questions:

1. What procedures have been established by states and local jurisdictions to implement the 1984 Amendments?
2. To what extent are these procedures followed in practice?
3. What are the costs of particular procedures?
4. What are the effects of various types of procedures on child support collections or other relevant outcomes?
5. What barriers exist to the effective implementation of the 1984 Amendments?

In addressing these questions, our analysis seeks to provide policymakers with a comprehensive picture of current enforcement practices and outcomes. To do so, the analysis uses a variety of descriptive statistics. When possible, the analysis also exploits the natural variation in IV-D program operations across states and local offices to assess the relative effectiveness of alternative procedures.

Our analysis of the relative effectiveness of alternative procedures is constrained by the difficulty of distinguishing cross-office variation in procedures and case characteristics **from** variation in other contextual factors (such as the characteristics of the child-support-eligible population and local economic conditions) that also affect child support outcomes. Where it is not possible to draw **firm** conclusions about the effectiveness of particular practices, the evaluation at least provides some suggestive evidence about the functioning of local IV-D programs.

## 2. Data Sources

As noted, we draw on a wide range of data sources in order to describe the child support enforcement system: case-records data, State Employment Security Agency data on the earnings of obligors, a survey of local **office** staff, discussions with advocates for custodial parents, and the Current Population Survey Child Support Supplements.

### a. Case Records Data

Case records data were collected for 1,906 active IV-D cases with child support orders, selected from 30 local offices in 11 states (Table L2 provides the sample sizes and number of offices by state). For each case, information was collected on (1) case characteristics, (2) the characteristics of current and previous support orders, (3) enforcement actions (including withholding) and their outcomes, and (4) a one-year history of payments and arrears.

**TABLE L2**  
**NUMBER OF OFFICES AND SAMPLE SIZE, BY STATE**

	Number of Local offices	Number of Case Records Abstracted
State 1	2	114
State 2	2	134
State 3	4	188
State 4	2	111
State 5	4	191
State 6	2	97
State 7	1	149
State 8	4	288
State 9	3	278
State 10	2	65
State 11	4	291
<b>Total</b>	30	1,906

NOTE: The names of the sample states are confidential.

The sample includes only IV-D cases with child **support** orders, because most of the issues examined in the evaluation applied only to cases with orders.’ For example, income withholding and the inclusion of medical support in orders could be studied only for a sample of cases with orders. However, the exclusion of cases without orders from the sample frame implies that we cannot assess the effects of particular provisions of the 1984 Amendments on the probability that cases have child support orders.

Not including in our sample all households that could use child support enforcement services places certain methodological limitations on the analysis due to possible changes in the composition of the IV-D caseload. For example, the availability of immediate income withholding through the IV-D system may cause some persons to seek orders through the IV-D program who would not otherwise have obtained orders. Thus, the effects of immediate **income** withholding on the entire population may be understated or overstated because we do not take into account the possible effects of the program on the composition of the population with child support orders. In addition, we cannot examine the provision of location and establishment services to the full population of **non-AFDC** cases that enter the IV-D system.

Figure I.1 indicates how the sampled universe of IV-D cases with orders relates to the entire universe of potential child support cases. It is important to note that less than half of non-AFDC custodial parents use IV-D program services, while all AFDC cases are referred to the IV-D system. Among IV-D cases, about two-thirds of non-AFDC cases but **less** than half of AFDC cases have child support orders.’

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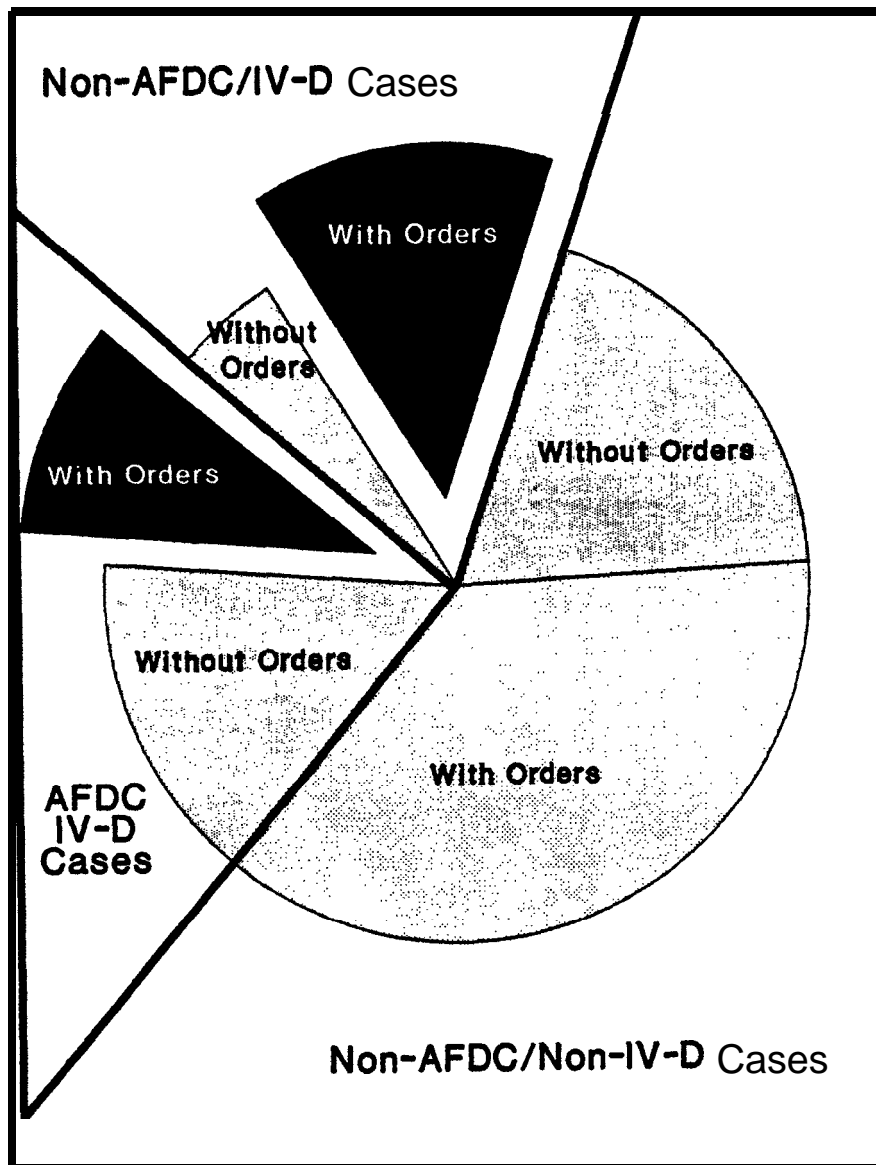
‘A secondary reason for limiting the sample to cases with orders was that some local offices would have had difficulty in providing us with lists of cases without orders, and might have refused to participate if required to provide such a list. Providing lists of cases with orders was less of a problem, though some offices had considerable **difficulty** even in providing these lists.

<sup>8</sup>The dimensions in Figure **I.1** are based on CPS-CSS data presented in Chapter V. CPS-CSS data are the best source on the potential IV-D population. However, because CPS data do not strictly correspond to caseload data, these dimensions should be seen as approximate.

FIGURE I.1

# IV-D CASES WITH ORDERS IN RELATION TO THE UNIVERSE OF CHILD SUPPORT CASES

(Cut slices denote cases included in the study)



NOTE: The pie slices that representsubsets of the population are drawn approximately to scale, barred on estimates from the 1988 Current Population Survey.

The sample of cases was drawn in a three-stage process. First, states were selected, then offices within those states were selected, and **finally** specific **cases** were selected from the active IV-D cases with orders in those **offices**.<sup>9</sup> The initial selection of states and offices involved formal sampling procedures. However, the final set of state8 and offices included in the study was substantially influenced both by the results of negotiations with state and **local** IV-D staff to obtain their cooperation with the study and by cuts in the sample made midway through data collection due to cost. The final sample thus contains a set of state8 and office8 that is broadly indicative of **all** state8 and **offices**, but that does not constitute a statistically representative sample in a formal sense. Within offices, IV-D case8 with orders were selected randomly, **and** thus constitute a representative sample of these types of cases at the office8 included in our **sample**.<sup>10</sup> Appendix A discusses sampling issues in greater detail.

b. Earnings Data from State Employment Security Agency Records

Data on the earnings of obligors were collected for each **case** in our case records sample. These data were collected through the state or local IV-D programs, which have access to records maintained by State Employment Security Agency (SESA) office8 8s part of the unemployment insurance system. IV-D offices **can** access these **files** (**usually** with a lag of three to six months after the earnings are received) to help them to locate obligors and their employers. Data were collected for four quarters that correspond roughly to the year for which we have a payment history.” SESA

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<sup>9</sup>Ohls (1988) **presents** a full description of the initial evaluation design, which called for a nationally representative clustered sample.

<sup>10</sup>We stratified the sample of case8 in each office to include **approximately** equal numbers of AFDC and **non-AFDC** cases and to oversample **cases** with orders since January **1, 1987**. This sample is representative of **all** cases at the sampled office8 if the **individual cases are** weighted to reflect the actual distribution of case8 along these dimensions.

<sup>11</sup>For some sites, the **earnings** data were requested three to six months after the case abstractions were complete. Because we requested data for the four most recent **quarters** available, this time lag implies that one or two quarters of data may **actually** be **from** the period after the abstraction. Thus, our analysis is sometimes based only on the first **two** quarters of data, which cover periods before the abstraction data for the entire sample.

data are likely to understate actual earnings, because matching Social Security numbers is sometimes problematic, because the databases do not include some types of employment, and because some **obligors** work in neighboring states (Decker, 1989).

c. Staff Surveys

Surveys of IV-D staff in the local offices **from** which we collected case data provided information on local policies and procedures, as well as background information on office characteristics, such as caseloads and staff sizes. The **survey** was mailed to the director of each office, who was asked to have each section of the **survey** filled out by the staff member most familiar with the topic covered. Follow-up telephone calls were made to ensure high response rates and to clarify ambiguous responses. Staff surveys were received **from** 29 of the 30 offices in the sample.

d. Advocacy Group Discussions

The views of local advocates for custodial parents and children provide an important balance to the IV-D program staff surveys, especially on such issues as the accessibility of the IV-D program to non-AFDC custodians. Project staff contacted both national advocacy groups and local groups or chapters in the areas in which the case and staff **survey** data were collected. Discussions were held with 15 local advocates, including at least one respondent in each of the 11 states in our sample, and with two representatives of national groups. The discussions were guided by a semi-structured discussion protocol, which focused on services for non-AFDC **cases**, but touched on income withholding and medical support as **well**. Appendix D provides additional information on how respondents were selected and how the discussion protocol was used, as well as a comprehensive summary of these discussions.

e. Data from the CPS Child Support Supplement

**We used the CPS Child Support Supplement** primarily to analyze the characteristics of the national population of non-AFDC households **potentially** or currently **eligible** for **child** support,

including their need for and use of child support enforcement **services**.<sup>12</sup> Child support data have been collected in the April CPS approximately every two years since 1979, and have been linked with March CPS data on household income in the previous **year**. We focus on data from the **1988 survey**, the most recent available, but also present some tabulations of trends over time since the 1979 survey.

f. OCSE **Program** Data and Other Child **Support** Enforcement Studies

We analyzed the data sources discussed above in the context of information available from studies by other researchers, OCSE program statistics presented in its Annual Reports to Congress, and internal OCSE and HCFA program reviews made available to MPR. In this manner, this report captures as fully as possible what is known to date about the implementation and effectiveness of the 1984 Amendments in the areas of income withholding, medical support enforcement, and services to **non-AFDC** cases.

## C. **KEY FINDINGS**

The results of this study on income withholding, medical support, and services to non-AFDC custodial parents suggest that the changes introduced in the 1984 Amendments have improved child support enforcement. However, our **findings** also indicate that much work must still be done to carry out the provisions of the Amendments fully.

### 1. Income Withholding

Income withholding, the subject of Chapter III, has become the most widely used child support enforcement method, accounting for 41 percent of all child support collections in fiscal year 1989. Nevertheless, the usefulness of withholding as a collection tool is limited by the fact that some obligors are unemployed, change jobs frequently, or have income sources that cannot be reached through withholding.

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<sup>12</sup>We also compared the characteristics of our case sample with those of the CPS sample (see Chapter II) and considered the evidence from the CPS on medical support enforcement (see Chapter **IV**).



Both staff opinion and case file data suggest that problems obtaining information on the obligor's employer or employment status are major barriers to implementing withholding. Case file data show the IV-D agency often lacks information on the **obligor's** employment status in cases for which withholding is required. For example, in 42 percent of non-immediate AFDC cases, it cannot be determined **from** the case files whether the obligor is employed. In **16** percent of non-immediate AFDC cases, the SESA wage records indicate the **obligor** is employed but the file has no evidence of employment, which often implies the **IV-D** agency has missed finding out that the obligor is employed.

Furthermore, for non-immediate AFDC cases with strong evidence that the **obligor** has been employed recently (evidence in both the **SESA** wage records and the case files), we **find** withholding was attempted in 71 percent of cases with arrears. When there was evidence of employment in the wage records but not the case files, which often implies employment not known to the IV-D agency, withholding was attempted in only 33 percent of cases with arrears. When there was no evidence of employment from either source, withholding was attempted in only 10 percent of cases with arrears.

The short duration of many withholding spells suggests that job turnover is an important constraint on the effectiveness of this collection technique. Forty (40) percent of the AFDC withholding spells in the sample had ended within the **first** 6 months, the comparable figure for **non-AFDC** cases is **28** percent. While many spells ended early, a substantial number of **spells** lasted longer than 24 months (37 percent of AFDC spells and **50** percent of non-AFDC spells). About half of withholding spells clearly ended because the job **ended**; for most others no explanation was available in the **files**.

A substantial number of offices use procedures that may prolong the time necessary for implementing withholding

- Using manual **rather than** automated processes for **tracking** arrears and withholding payments and issuing notices

- Having payments and arrears tracked by an agency that differs **from** the agency that implemented the withholding
- Involving the court or another agency outside the IV-D **agency** in issuing the withholding order
- Requiring documentation for interstate withholding **requests** beyond the federal requirements

Because some obligors move in and out of jobs fairly often, offices are forced to reestablish withholding frequently. The median length of withholding spells in the sample was 17 months, most spells are either very short or relatively long. The median length of time required to reestablish withholding after an interruption was eight months.

Contrary to federal regulations, the amounts withheld in many cases did not include payments on existing arrears. For AFDC **cases**, approximately 43 percent of the withholding amounts in the sample included money for arrears, despite the fact that 75 **percent** of the cases with withholding had arrears. For non-AFDC cases to which withholding applied, approximately 38 percent included money for arrears, even though 72 percent had arrears.

Cases in offices required by state law to use immediate withholding were more likely to have withholding than were cases in offices that **were** not **required** by **law** to impose **immediate** withholding, even after controlling for case characteristics. However, cases subject by law to immediate withholding did not have **significantly** higher **collections** than did other cases.

## 2. Medical Support Enforcement

Our findings on medical support establishment and enforcement (presented in Chapter IV) suggest that the establishment of medical support orders has increased substantially since the passage of the 1984 Amendments, and that in some states, state laws incorporate stronger medical support requirements than do the Amendments. However, the data suggest that the collection of medical insurance information, the enforcement of medical support orders, and the transmittal of insurance information to the Medicaid agency all remain seriously deficient.

The incidence of **petitions** for medical support has increased since the 1984 Amendments, but remains far from universal. Among the sample of IV-D cases with orders since January 1987, we found that medical support was requested in the petitions of **58 percent of the AFDC cases** and 54 percent of the non-AFDC **cases** for whom we could collect **information on petitions**. Before 1987, medical support was requested in the petitions of only 37 percent of **AFDC** cases and 36 percent of non-AFDC cases.

The prevalence of medical support **orders** has also increased substantially since the 1984 Amendments. This is due in part to the increase in petitions (since medical support is **almost always** ordered when petitioned) and in part to new state laws that mandate judges to consider ordering medical support, even if it is not requested in the petition.

Custodial mothers report in the 1988 **CPS-CSS** that obligon with medical support orders provide health insurance in about 55 percent of AFDC families, and 39 percent of **non-AFDC** families who seek agency help. Some of those not providing insurance may not have coverage available at a reasonable cost.

Based on our review of case **files**, offices collect very little medical insurance information, and rarely send the information to the Medicaid **agency**, even when the files contain the information. Only 13 percent of case files that we examined contained insurance **information**. **Only 2 percent of** AFDC case files indicated that information had been sent to the Medicaid agency.

### 3. Services to Non-AFDC Cases

Since the 1984 Amendments, the **number of non-AFDC cases** has grown very substantially (see Chapter **V**) and **real-dollar expenditures per case** have increased more rapidly for non-AFDC cases than for AFDC cases. Nevertheless, collections per case have remained **fairly** constant.

Our analysis of the 1988 CPS Child Support Supplement suggests that **IV-D** program services to the entire **child-support-eligible** non-AFDC population increased between 1985 and 1987, and that

award and payment levels improved slightly. These changes may be due, at least in part, to the effects of the 1984 Amendments.

Nevertheless, the potential need for non-AFDC **services** remains large. Thirty-four percent of child-support-eligible, non-APDC mothers lacked awards as of 1987. Another 27 percent did not receive the full support payments that were due to **them**. Of course, IV-D agencies serve only non-AFDC custodial mothers who apply for services or who were former AFDC cases, and some mothers in the overall CPS sample may prefer not to pursue child support or may wish to use private attorneys. Among **non-AFDC** mothers who reported in the CPS that they had contacted a government agency for help with child support, 22 percent lacked awards, and 49 percent did not receive full payment of support owed.

One limitation on access to N-D **services** by non-AFDC parents is that, contrary to federal regulations, a substantial number of local offices limit the range of **services** that they will provide in some situations. Most importantly, offices frequently **limit** the range of services provided to **obligees** who have private attorneys. Among the **services** that many IV-D offices **will** not provide to a **non-AFDC** custodial parent who is represented by a private attorney are paternity establishment, initial order establishment, and defending against a downward support order modification.

Despite these limitations on services, the majority of offices report devoting a disproportionate amount of staff time per case on non-AFDC cases, when compared with time spent on AFDC cases. OCSE program data also indicate that spending per case on non-AFDC cases has grown much faster than spending on AFDC cases. While real expenditures per non-APDC case have grown nationally, some offices report receiving no increases in **resources** to match the growth in non-AFDC caseloads. About one-third of the offices reported shifting **resources** to **non-AFDC** cases from AFDC cases.



## II. THE CHARACTERISTICS OF THE SAMPLE

This chapter presents information on the characteristics of the states and local offices from which data were collected, and the characteristics of the cases drawn from those offices. The chapter then compares the characteristics of sample states and cases with national data in order to judge the extent to which conclusions based on this sample can be generalized to the nation as a whole. Overall, we conclude that the samples of 11 states and 30 offices are broadly indicative of all states and offices, but are not a statistically representative sample of IV-D casts with orders nationally. Thus, the findings based on these data provide an indication of the types of characteristics found among all IV-D offices and cases, but estimates of the number or proportion with a specific characteristic may err systematically in representing the true number or proportion. Furthermore, because the evaluation is based on samples of cases rather than a census of cases, the estimates are subject to random sampling error. The sampling error means that specific point estimates (for example, the percentage of cases with collections) should be considered approximate and that differences between estimates for population subgroups (for example, comparisons of AFDC and non-AFDC cases) should only be interpreted as meaningful if the differences are substantial.

### A. THE CHARACTERISTICS OF SAMPLED OFFICES AND CASES

Data on the characteristics of cases and offices in our sample provide both background for interpreting analyses of the substantive issues and some important insights into who the IV-D system serves, and how it functions. We first **describe** the characteristics of the sampled offices in terms of their institutional structures and staffing. We then describe the demographic characteristics of the sampled cases, and their experience with the IV-D system.

## 1. The Characteristics of Sampled Offices

The 30 local IV-D offices included in this study exhibited diverse caseload sizes, institutional structures, and staffing patterns. The sampled offices included large offices in major metropolitan areas, and small offices serving small towns and surrounding rural areas. In some areas, the office with chief responsibility for IV-D functions was the county or state welfare agency, and in other areas it was the family court, the state attorney general's office, or the county prosecutor's office. Frequently, IV-D functions in a local jurisdiction were divided among several agencies through cooperative agreements, under which certain functions were delegated from the lead IV-D agency to another agency, with appropriate reimbursement from IV-D funds.

The IV-D offices in our sample range from those that serve well under 10,000 cases to those that serve hundreds of thousands of cases, and their caseload per staff member ranges from over 100 to just over 1,000 (see Table II.1). The average caseload per staff member among sample offices is 464. Note that this ratio is calculated on the basis of all staff, not just line caseworkers. Thus, caseloads per caseworker (not available in our data) must be substantially higher. Office size and caseload per staff member are highly correlated.

The proportion of the office caseload that comprises AFDC cases also varies widely, ranging from 26 percent to 81 percent, but in half the offices with valid data, AFDC cases are between 50 and 70 percent of all cases. This proportion is affected by the generosity of the state's AFDC program, by the composition of the local population, and by how the state recruits its non-AFDC IV-D caseload.<sup>1</sup> In general, AFDC cases constitute a smaller proportion of all cases with orders than of all cases, because AFDC cases are less likely to have orders than are non-AFDC cases.

Another difference between offices pertains to the specific agencies involved in child support enforcement. While about two-thirds of the jurisdictions in our sample locate lead responsibility for

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<sup>1</sup>The extent to which non-AFDC obligees are encouraged to become part of the IV-D system varies by state. Some states provide applications to all who file for divorce or separation, while others include only those who seek services.

TABLE II.1

## CHARACTERISTICS OF SAMPLED OFFICES

	Number of Offices	Percent of offices
Total Caseload Size		
Under 10,000	9	31 %
<b>10,001-20,000</b>	<b>4</b>	14
<b>20,001-30,000</b>	<b>3</b>	10
<b>30,001-40,000</b>	<b>4</b>	14
<b>40,001-50,000</b>	<b>2</b>	7
<b>50,001-60,000</b>	<b>1</b>	<b>3</b>
<b>60,001-90,000</b>	<b>0</b>	<b>0</b>
<b>90,001+</b>	<b>3</b>	10
Missing/not determined	<b>3</b>	10
Mean: <b>40,068</b>		
Caseload per Full-Time-Equivalent Staff <b>Person</b> (Both IV-D Agency and Cooperative Agreement Staff)		
100-199	<b>1</b>	3 %
200-299	<b>6</b>	21
300-399	<b>7</b>	24
<b>400-499</b>	<b>5</b>	17
500-599	<b>0</b>	0
600-699	<b>1</b>	3
700-799	<b>3</b>	10
800-899	<b>1</b>	3
900-999	<b>0</b>	0
<b>1,000-1,099</b>	<b>2</b>	7
Missing	<b>3</b>	10
Mean: 464		
Proportion of Caseload that Consists of <b>AFDC</b> cases:		
Under 40 percent	2	7
40 to 49 percent	4	14
50 to 59 percent	6	21
<b>60 to 69 percent</b>	<b>6</b>	21
70 to 79 percent	<b>5</b>	17
80 percent or above	<b>1</b>	3
Missing/Not determined	<b>5</b>	17
Minimum: 26 percent		
Maximum: 81 Percent		
Number of Offices	29	

SOURCE: MPR surveys of local **IV-D** office **staff**, completed **largely** in **fall** and winter **1990-1991**.



IV-D functions in either state or county social service agencies, several other types of agencies sometimes assume this role (see Table **II.2**). Our sample includes one **office** in which the lead IV-D agency is the family court, one **office** in which it is the county attorney's office, four offices (in one state) in which **the** lead agency is the state attorney general's office, and four offices (in one state) in which the child support agency is an independent county agency.

Table II.2 also indicates that the lead agencies that house **the** IV-D office often rely on other agencies to conduct some child support enforcement activities. In particular, the lead IV-D agencies tend to rely on other agencies for functions related to court **proceedings** or their administrative equivalents. This is particularly true for such functions as presiding over a hearing for order establishment or paternity determination (76 and 97 percent of the sample offices, respectively) and for representing the IV-D office in hearings (over half of the sample **offices**). In contrast, the lead agency tends to perform intake and initial location itself. In general, we found that state and county social service agencies and independent county child support agencies are more likely than the state attorney general, the county prosecuting attorney, or the court to rely heavily on outside agency staff (see Appendix Table CI).

## 2. The Characteristics of Cases in the Case Records Sample

As discussed in Chapter I, all cases in the sample have child support orders. Typically, **the** mothers in these cases are in their early thirties, the fathers are in their mid-thirties, and the case contains one child age 6 to 12 (the youngest child in about half of the **cases** is between 6 and 12 years of age) (see Table II.3). Slightly more than half of the parents **had** been **married**.<sup>2</sup> In 98 percent of cases, the obligor is male, in 95 percent of cases, the **children** live only with their mother. The children live with neither parent in 4 percent of the sample cases, and with their father or with both parents in about 1 percent of sample **cases**.

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<sup>2</sup>**Marital** status information **describes** the relationship between the children's parents. It is possible that either parent may have **(re)married**; this information was not available.

TABLE II.2

LEAD N-D AGENCIES AND THE NUMBER AND PERCENT OF OFFICES  
IN WHICH **LEAD** AGENCIES DELEGATE KEY **IV-D** FUNCTIONS  
TO **OTHER** AGENCIES, FOR **AFDC** AND **NON-AFDC** CASES

	Number of Sample offices	Percent of Sample offices		
Lead Agency in Each Jurisdiction				
State Social Service Agency	13	45 %		
County Social Service Agency	6	21		
State Attorney General	4	14		
County Attorney/Prosecuting Attorney	1	3		
Child Support Agency	4	14		
Court	1	3		
	29	100 %		
Number and Percent of Jurisdictions in Which Lead Agency Delegates Responsibility for the Following Functions to Other Local Agencies				
	<u>AFDC</u>	<u>Non-AFDC</u>	<u>AFDC</u>	<u>Non-AFDC</u>
Intake	4	4	14 %	14 %
Initial location	4	5	14	17
Initiating petitions for support	8	9	28	31
Representing the IV-D agency in the establishment of orders	15	17	52	59
Presiding over order establishment hearings	22	22	76	76
Initiating petitions for paternity establishment	10	11	35	38
Representing the IV-D agency in paternity establishment	16	18	55	62
Presiding over paternity establishment hearings	28	28	97	97
Initiating income withholding	9	10	31	35
Receipt of support payments	18	18	62	62
Disbursing support payments	9	10	31	35
Number of Offices			29	29

SOURCE: MPR **surveys** of local N-D office **staff**, completed **largely in fall** and **winter 1990-1991**.

NOTE: See Appendix Table C.1 for **additional** detail on the **frequency** of delegating **responsibility** by type of lead agency.

**TABLE II.3**  
**DEMOGRAPHIC CHARACTERISTICS OF CASES IN THE CASE RECORDS SAMPLE**

	AFDC Cases	Non-AFDC Cases <sup>a</sup>			Total Cases
		Former AFDC	Never AFDC	All Non-AFDC	
Median Age of Mother	w.7	327	<b>35.0</b>	22.6	32.2
Median Age of Father	<b>33.2</b>	<b>35.0</b>	<b>37.4</b>	<b>36.2</b>	35.1
Percent of Parents Ever Married	41%	51%	79%	64%	<b>55 %</b>
Number of Children in the Cue					
1					
2	68% <b>22</b>	74.20 %	59.33 %	67.26 %	<b>67.5 %</b>
3 or more	10	7	8	7	8
Median	1	1	1	1	1
Median Age of Youngest Child	7.3	10.4	11.0	10.7	<b>9.5</b>
Percent of Obligor Who Are Male	97%	99%	98%	98%	98%
Children Live with:					
Mother only <sup>b</sup>	93%	<b>91 %</b>	<b>96 %</b>	<b>91 %</b>	95 %
Father Only <sup>b</sup>	<b>c</b>	<b>3</b>	2	<b>2</b>	<b>1</b>
Neither	<b>6</b>	<b>1</b>	<b>1</b>		4
Both mother and father	c	<b>1</b>	1	1	1
Number of Cases	<b>705</b>	609	<b>559</b>	<b>1,201</b>	<b>1,906</b>

SOURCE: Weighted tabulations from MPR case record abstracts of 1,906 active IV-D cases with orders, collected from February to November 1990.

<sup>a</sup>The number of former-AFDC and never-AFDC cases do not sum to the number of non-AFDC cases because we could not determine former AFDC status in 33 of the 1,201 cases.

<sup>b</sup>It is possible that these cases may have a step-parent in the household. This information is not usually provided in case files.

<sup>c</sup>Less than 0.5 percent.

Table II.3 also indicates that AFDC cases differ from non-AFDC cases, and that among **non-AFDC** cases those that are former AFDC cases differ from those where the custodial parent was never on AFDC (“never-AFDC cases”). These differences may influence the ability of the IV-D agency to serve the various groups. In particular, the parents in AFDC cases are less likely to have been married than are parents in non-AFDC cases (41 percent of AFDC cases, compared with **64** percent of non-AFDC cases), suggesting that the IV-D offices may need to provide greater assistance with paternity determination among the AFDC cases. Similarly, among non-AFDC cases, those that are former AFDC cases are much less likely to have been married than those that were never on **AFDC** (parents in **51** percent of former-AFDC cases had been married, while the corresponding figure for never-AFDC cases is 79 percent).

According to data from State Employment Security Agency (SESA) wage records, **obligors** in our sample of cases had low annual earnings--an average of about \$8,600, with a median of only \$3,500 (see Table II.4). These data suggest that **obligors** in AFDC cases earned somewhat lower incomes on average than **obligors** in non-AFDC cases, and that obligors in former AFDC cases earned lower incomes on average than obligors in **never-AFDC** cases. These income levels are much lower than estimates of income levels of noncustodial parents derived from other sources (Garfinkel and Oellerich, 1989; Peterson and Nord, 1987). One reason our estimates are lower is that the other estimates were based on samples of noncustodial parents in general, not just those in the IV-D system. The Survey of Absent Parents pilot study, the only study available that compares incomes of IV-D and non-IV-D custodial parents, suggests noncustodial parents in the IV-D system are much more likely to have low incomes (**Sonnenstein** and Calhoun, 1987). In addition, SESA earnings data understate actual earnings to some extent, because the state databases do not capture some **types** of employment not covered by state Unemployment Insurance, including self-employment, federal employment, “off-the-books” employment, and employment in a neighboring state. Furthermore, state

TABLE II. 4  
ANNUAL EARNINGS OF OBLIGORS IN THE CASE RECORDS **SAMPLE**  
REPORTED IN **SESA** DATA

Annual Earnings	Non-AFDC Cases <sup>a</sup>				Total Cases
	AFDC Cases	Former AFDC	Never AFDC	All Non-AFDC	
<b>Zero<sup>c</sup></b>	33%	31%	36%	33%	33 %
<b>\$1-5,000</b>	22	17	13	<b>15</b>	18
<b>\$5,001-10,000</b>	13	14	8	11	12
<b>\$10,001-15,000</b>	11	9	9	9	10
<b>\$15,001-20,000</b>	<b>5</b>	8	7	7	7
<b>\$20,001-25,000</b>	<b>5</b>	7	<b>6</b>	7	6
<b>\$25,001-30,000</b>	3	4	<b>5</b>	4	4
<b>\$30,000-35,000</b>	2	3	<b>5</b>	4	3
<b>\$35,000-40,000</b>	b	<b>1</b>	3	2	2
<b>Over \$40,000</b>	b	<b>5</b>	3	2	1
Missing	<b>6</b>		6	<b>6</b>	<b>6</b>
Mean	<b>\$6,742</b>	<b>\$8,941</b>	<b>\$10,486</b>	<b>\$9,617</b>	<b>\$8,553</b>
Median	<b>\$2,820</b>	<b>\$4,912</b>	<b>\$4,241</b>	<b>\$4,610</b>	<b>\$3,535</b>
<b>Number of Cases</b>	<b>705</b>	609	<b>559</b>	<b>1,201</b>	1,906

**SOURCE:** Weighted tabulations from State **Employment Security Agency** wage records data for the **four most recent quarters available as of fall 1990**.

**NOTE:** **SESA** data include only **earnings in jobs covered by Unemployment Insurance**. Excluded **jobs** include **self-employment, federal employment, "off-the-books" employment and jobs in other states**.

<sup>a</sup>The number of **former-AFDC** and **never-AFDC cases** do not sum to the number of non-AFDC cases because we could not determine former AFDC status in 33 of the 1,201 cases.

<sup>b</sup>Less than 05 percent.

<sup>c</sup>These cases had social security numbers in the **SESA** files but no earnings in the **most recent four quarters**. They include unemployed obligors and obligors who worked in jobs not covered by the **SESA** database.

IV-D program staff, who provided MPR with these data, informed us that the records maintained by some of the states in our sample are incomplete even for covered **employment**.<sup>3</sup>

Table II.5 describes the case sample in terms of their experience with the IV-D system. About half of the sampled cases have been open for over **5** years, and about 16 percent of the cases have been open for over 10 years. A large proportion of the cases required paternity establishment for at least one child-45 percent of AFDC cases and **25** percent of non-AFDC cases. **Only** about 10 percent of cases in the sample are interstate cases.

The median time since the most recent order is about 3 years for AFDC cases and 4 years for non-AFDC cases. Many of these orders were **modifications--29** percent for AFDC cases and 42 percent for non-AFDC cases--which suggests that modifications occurred with some frequency even before the FSA requirements for regular modifications took effect. **Some** modifications, however, merely reflect temporary orders being made permanent.

Despite the fact that many of the support orders had been subject to modifications, the level of support orders remains strikingly low. The median order is \$125 per month for AFDC **cases** and **\$168** for **non-AFDC** cases, and the median amount owed per child is \$100 per month for AFDC cases and \$129 per month for non-AFDC cases. These levels of child support are usually not sufficient to support a family, or to leave AFDC, for example, the average AFDC standard of need in the 11 states in our sample for a family with a mother and two children is \$594 per month (U.S. House of Representatives, 1990). Orders may be low in part **because** older orders are rarely updated, and in part because orders are set based upon obligor ability to pay under most guidelines, and many obligors in our sample have low incomes. However, comparison of order amounts to obligor ability to pay as measured by SESA earnings suggests that (1) orders do not match current ability to pay very closely, as those with higher SESA earnings owe much smaller percentages of their earnings than those with lower earnings, and (2) many obligors are required to pay lower proportions of their

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<sup>3</sup>**The** extent of this problem is currently unknown; the National Commission on Employment Policy is studying the issue.

**TABLE 1.1**  
**CHILD-SUPPORT-RELATED CHARACTERISTICS OF CASES IN THE CASE RECORDS SAMPLE**

	AFDC Cases	Non-AFDC Cases			Total Cases
		Former AFDC	Never AFDC	All Non-AFDC	
Median Years Since IV-D Case Opened	5.1	7.4	3.9	5.3	5.2
Paternity Was Established					
After IV-D case opened	45 %	36 %	11 %	25 %	32 %
Prior to IV-D case opening (or born in wedlock)	51	58	84	71	64
Missing/not determined	4	a	4	4	4
Median Years Since Most Recent Support Order Was Obtained	3.1	4.2	3.5	4.0	2.8
Most Recent Order Was:					
Original order	61 %	48 %	50 %	49 %	53 %
Modification	29	44	40	42	37
Missing/not determined	10	8	11	10	10
Percent of Interstate Cases	10 %	5 %	18 %	11 % <sup>b</sup>	11 %
Median Monthly Amount of Child Support Owed	\$125	\$135	\$210	\$166	\$150
Median Monthly Amount of Child Support Owed per Child	\$100	8108	\$150	\$129	8112
Amount Due As a Percent of Obligor SESA Earnings <sup>a</sup>					
Percent with zero earnings	33 %	31 %	36 %	33 %	33 %
Median for cases with nonzero earnings	17	15	18	17	17
Median for cases with SESA earnings from:					
\$1 to \$5,000	71	67	129	100	82
\$5,001 to \$10,000	17	22	32	22	22
\$10,001 to \$20,000	10	10	16	12	12
Over \$20,000	8	8	10	a	9
Percent of Current Child Support That Was Received					
None	36 %	28 %	21 %	24 %	26 %
Over 100% <sup>b</sup>	20	25	27	26	24
Median	35	51	54	59	59
Arrears <sup>c</sup>					
No arrearage	9 %	15 %	20 %	17 %	14 %
Mean	\$4,031	\$3,958	\$3,834	\$3,974	\$4,002
Median	\$2,287	\$1,824	\$1,183	\$1,430	\$1,845
Arrears in Terms of Months of Support Owed <sup>c, d</sup>					
No arrearage	9 %	15 %	20 %	17 %	14 %
Less than 1 month	6	11	13	12	9
1 to 11.99 months	22	19	23	20	21
12 months or more	60	52	41	47	52
Missing/not determined	3	4	3	4	4
Number of Cases	705	608	689	1,201	1,806

**SOURCE:** Weighted tabulations from MPR case record abstracts of 1,806 active IV-D cases with orders, collected from February to November 1990.

**NOTE:** All means and medians include zero values unless otherwise noted.

<sup>a</sup>Obligor earnings are estimated on the basis of four quarters of data from State Employment Security Agency records. These data tend to understate actual earnings.

<sup>b</sup>This category includes cases with payments on arrears or prepayments.

<sup>c</sup>Arrears are reported as of the end of the month prior to the date of abstraction.

<sup>d</sup>When exact arrears were not available, abstractors coded them by the categories listed. For example, if there were no payments in the past year, the abstractor knew that the category '12 months or more' was appropriate. This variable includes both exact and categorical data.

earnings than would be required under most current guidelines. The median percentage of earnings owed as child support is 17 percent, which implies that half the obligors with earnings pay an even lower percentage. If obligor income were measured more completely, the median percentage of obligor income owed as child support would be still lower.<sup>4</sup>

The median percentage of current child support that was received in the previous year was 69 percent overall (35 percent for AFDC cases and 89 percent for non-AFDC cases). Twentyeight percent of the sample did not receive support (36 percent of AFDC cases and 24 percent of non-AFDC cases), and 24 percent received over 100 percent of the amount due, most likely due to payments on arrears (20 percent of AFDC cases and 26 percent of non-AFDC cases).

In the case records sample, the levels of arrears are very high, despite the low levels of awards. The median level of arrears was \$1,845, and, overall, more than half the cases have arrears of 12 months or more. The differences in arrears between AFDC and non-AFDC cases are relatively small, with AFDC cases tending to have higher arrears. The mean levels of arrears are much higher than the medians, which reflects a small number of cases with very high levels of **arrears**.<sup>5</sup>

Overall, we observed that AFDC cases in the sample differ substantially from non-AFDC cases. They are more likely to require that paternity be established, to have low order amounts, to have **obligors** with low earnings, to have obligees who receive a low proportion of what they are owed, and to have large arrears. There are several reasons for these differences: (1) low-income women on AFDC are more likely **to** have low-income men as their former partners, (2) AFDC **obligees** who receive large amounts of child support are more likely to leave **AFDC**, and (3) because women on AFDC receive only the **first** \$50 of child support paid on **their** behalf--the rest of which is used to

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<sup>4</sup>The high percentages owed for obligors with very low income may reflect an undercount of income, but may also indicate a true mismatch between very low current income due to unemployment and an obligation set at a time the obligor's income was much higher.

<sup>5</sup>Ten percent of cases had arrears in excess of \$10,000.



repay the state and federal government for their AFDC benefits--the incentives for both the obligor and the obligee to cooperate with the IV-D system are limited in AFDC **cases**.<sup>6</sup>

Among non-AFDC cases, the characteristics of former AFDC cases fall about midway between the **AFDC** and never-AFDC cases in terms of order amounts and the amount of arrears. The former-AFDC cases have been open longer than have other cases.

## B. THE REPRESENTATIVENESS OF THE SAMPLE

The states, offices, and cases that were ultimately included in the sample are not nationally representative in a formal statistical sense (see Appendix A for more details on the sampling).<sup>7</sup> However, the sample does cover a wide range of variation in types of IV-D systems. As shown in the **first** part of this section, the sample appears to be reasonably representative of the national IV-D system along many dimensions, although the IV-D systems in the states from which the sample is drawn are slightly more effective in collecting support than IV-D systems nationwide, according to OCSE program data. The second part of this section shows that the characteristics of our case sample differ substantially from the characteristics of a CPS sample which is representative of families with child support orders participating in the IV-D system nationally. However, some of these differences are plausibly related to the fact we have a sample of cases rather than of families.

### 1. Comparison of the Characteristics of States Selected with National Characteristics

Table **II.6** compares the case records sample with the national population in terms of region, the procedural characteristics of the **IV-D** system, and a widely cited ranking of state IV-D systems

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<sup>6</sup>**AFDC** participants are required to cooperate with the IV-D program as a condition for receiving their AFDC grant unless they can show good cause (such as concerns for their physical safety) for non-cooperation.

<sup>7</sup>It is worth noting that there has not been any nationally representative sampling of IV-D case records on the scale of this evaluation. The largest previous study of case records (Maximus, 1983) used a judgmental sample. Some of the evaluations by the **DHHS** Office of Inspector General have used nationally representative samples, but most of these samples were quite small (DHHS Office of Inspector General, **1987, 1989**).

TABLE IL6  
COMPARJSON OF STATE-LEVEL **CHARACTERISTICS** OF THE  
CASE RECORDS SAMPLE AND THE **NATIONAL** POPULATION

	Number of Sample States	Percent of Weighted Sample'	Percent <b>of</b> National Population ( <b>1985</b> ) <sup>b</sup>
Region			
Northeast	<b>2</b>	18.2 %	19.2 %
Midwest	<b>3</b>	27.3	24.7
South	<b>4</b>	36.4	36.2
west	<b>2</b>	18.2	20.0
Administrative Process <b>State</b> <sup>c</sup>	2	18.2 %	21.7 %
Immediate Withholding <b>State</b> <sup>d</sup>	2	18.2 %	15.2 %
State CSE System Grade by House Ways & Means Committee'			
A	<b>1</b>	9.1 %	7.5 %
B	<b>5</b>	45.5	20.2
C	<b>2</b>	18.2	44.9
D	<b>2</b>	18.2	16.5
F	<b>1</b>	9.1	10.8

<sup>a</sup>The case records sample is weighted so that all states have equal weighted sample sizes (see Appendix A).

<sup>b</sup>The national population of mothers with children of noncustodial fathers in 1985. This population was used as the basis for the state sampling. The number of mothers with children of noncustodial fathers in each state was estimated on the basis of the 1986 CPS Child Support Supplement.

<sup>c</sup>~~Sixteen~~ states used administrative **processes** for setting and enforcing child support orders (rather than court proceedings) **in** 1988. See Williams et al. (1988) for the complete list. Our sample also includes one additional office that used administrative **processes** under a pilot program.

<sup>d</sup>For purposes of sampling, and thus of this table, immediate withholding states were defined as those that instituted immediate withholding for new or modified orders in IV-D cases by mid-1987. The state sample ultimately included four states which had implemented immediate withholding in some or all jurisdictions by **January** 1988.

<sup>e</sup>From "grade" assigned to the state **IV-D** systems in **Child Support Enforcement: A Report Card**, prepared by the staff of the House Committee on Ways and **Means, October 1988**.

(House Committee on Ways and Means, 1988).<sup>8</sup> The sample is very representative in terms of its distribution across regions. The sample is also roughly representative in terms of the number of states that use administrative processes and in terms of the use of immediate withholding by law by mid-1987.<sup>9</sup>

The Ways and Means Committee of the U.S. House of Representatives ranked state IV-D programs using fiscal year 1987 program data (House Committee on Ways and Means, 1988). Points were assigned to performance in each of five areas: (1) paternity establishment, (2) child support collection rates, (3) cost-effectiveness, (4) interstate collections, and (5) AFDC cost reductions.<sup>10</sup> Overall, the states in our sample rated somewhat better than the U.S. average in the Ways and Means Committee rankings, because the sample includes relatively more “B” states and fewer “C” states than the nation as a whole.

Our sample of states is very close to the national average for caseload per staff member, the percent of cases with collections, and expenditures per case as measured in OCSE program data (see Table 11.7). However, the sample is drawn from states whose collections per case were higher on average than the national average, and whose collections per IV-D dollar spent were higher.

## 2. Comparison of the Characteristics of the Cases Selected with the National Population

Our caseload sample (when properly weighted) is a random sample of all cases with orders in the offices sampled. It is important to emphasize that a random sample of cases differs in several ways from a random sample of families, such as the Current Population Survey. Many families have

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<sup>8</sup>We use estimates of the number of child-support-eligible mothers in each state in 1985, developed from the 1986 CPS Child Support Supplement, because this population was the basis for drawing our original sample of states, and thus seems an appropriate standard for judging the representativeness of our restricted sample.

<sup>9</sup>Our sample does include two states that started using immediate withholding later, and thus somewhat overrepresents states with immediate withholding laws before FSA implementation.

<sup>10</sup>Missing data were counted as zeros, on the theory that states should be penalized for poor record-keeping. Good and Pirog-Good (1991) point out that these rankings do not control for the fact that some states have populations that are more difficult to serve than others.

TABLE II.7  
AVERAGE STATE IV-D PROGRAM CHARACTERISTICS

	Case Records Sample <sup>a</sup>	National IV-D Caseload <sup>b</sup>
Average Caseload per Staff Member	340	346
Average Collections per Case per Year	<b>\$480</b>	\$437
Percent of Cases with Collections	19.5 %	18.6 %
Average Expenditures per Case per Year	\$126	\$128
Average Collections per Dollar Spent	\$4.12	\$3.52
Number of States	11	51

SOURCE: OCSE Annual Report for FY1989, Volume II, Tables **8, 27, 45, 50, 65**.

NOTE: Distributions of these characteristics are presented in **Appendix** Table C.2.

<sup>a</sup>The means are simple averages of the 11 states, because each state is equally represented in the weighted case records sample.

<sup>b</sup>The national figures exclude Guam, Puerto Rico, and the Virgin Islands, but include the District of Columbia. The means are weighted averages of state characteristics, weighted by the percent of mothers with children of noncustodial fathers in each state, as estimated from the 1986 CPS-CSS.

more than one IV-D case open at one time. For example, a former AFDC case may exist both as a non-AFDC case (to collect current support) and as an AFDC-arrears-only case (to collect arrears due to the state for the period in which the case received AFDC). We excluded arrears-only cases from the sample to avoid double-counting these cases. An unmarried mother with children from more than one father has a different IV-D case for each father, under OCSE regulations. Our sample frame includes both cases. Some jurisdictions open a separate case for each child for whom paternity must be established even if the father is the same--in some instances, our sample frame includes all of these cases, because no practical method was available to unduplicate or combine them.”

While we attempted to limit our sample to “active” cases, it is not clear that we were always successful. Until the passage of the FSA, there were no federal requirements for case-closing criteria. Our case sample contains some relatively old cases which may not have been worked in some time (for example, because the obligor could not be located), and which may be eligible for closing under the new standards.

In drawing the samples of cases, we excluded outgoing interstate cases and included only incoming interstate cases, in order to avoid sampling interstate cases with twice the probability of other cases. However, the **files** on incoming interstate cases were more likely to be missing or lacking sufficient information for abstraction relative to intrastate cases. In the end, these data problems imply that our sample probably underrepresents interstate **cases**.<sup>12</sup>

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“For example, unduplicating the sample frame was not possible in offices where sample lists were provided by case number, without names. Where it was not possible to unduplicate the frame, we unduplicated the **sample**, ensuring that each **obligor-obligee** pair did not contribute more than one case. However, this procedure did not prevent duplicated cases from being overrepresented in our sample to a slight extent.

<sup>12</sup>In some cases, the obligor lived out of state, but the case continued to be handled as a local case. Either the obligor was paying support and no need for interstate procedures had arisen, or the case had not recently been worked, and no one had noted that the case had changed status. We treated these cases as local cases.

The case records sample drawn at each site was stratified to include roughly equal numbers of AFDC and non-AFDC cases, and to oversample cases with orders since January 1, 1987, the date by which most provisions of the 1984 Amendments had been implemented. However, the four strata (AFDC cases with orders before and after January 1, 1987, and **non-AFDC** cases with orders before and after January 1, 1987) have been reweighted to make the sample approximately nationally representative along these dimensions (see Appendix A for a discussion of the stratification and weighting).

All of these factors imply that a comparison of the characteristics of cases in our case sample with the characteristics of a national sample of families that are due child support should reveal considerable differences. When we compared the case records sample with a similar sample of families that responded to the 1988 CPS Child Support Supplement, large differences did appear (as shown in Table 11.8). To be as similar as possible to a sample of IV-D cases with orders, the CPS sample included all AFDC mothers with orders for current support, all of whom should have IV-D cases open, and all non-AFDC mothers with orders for current support who had contacted a government agency for help with child **support**.<sup>13</sup>

The most striking difference between the case records data and the CPS sample in Table II.8 is that the former contain a much larger proportion of never-married parents. In the case records data, at least 52 percent of parents in AFDC cases and 29 percent of parents in non-AFDC cases were never married. In the CPS sample, only 29 percent of AFDC mothers and only 7 percent of non-AFDC mothers were never married. These differences may be due to the fact that never-married families often exist as multiple IV-D cases (as discussed earlier), which makes them more

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<sup>13</sup>The question on contacting a government agency is the best indication available in the CPS of whether a non-APDC family is part of the IV-D system, but almost certainly does not pick up all non-AFDC families in the IV-D system and is especially likely to miss former AFDC families (see Chapter V). It should also be kept in mind that the CPS is known to undercount AFDC participation, and that the CPS subsamples used for this comparison are fairly small, and are thus subject to considerable sampling error. Chapter V provides further discussion of how the analysis files from the CPS Child Support Supplement were constructed.

TABLE II.8  
COMPARISON OF CASE RECORDS DATA WITH CPS DATA

	Case Records Data		CPS Data	
	AFDC Cases with Orders	Non-AFDC Cases with Orders	AFDC Cases with Orders	Non-AFDC Cases with Orders and Contact with Government Agency
<b>Age of Mother</b>				
18-25	21 %	8%	25 %	9%
26-35	48	43	49	49
36-45	14	25	21	36
46-55	1	3	4	6
over 55	0	0	•	•
Missing/not determined	16	21		
<b>Marital Status</b>				
Ever married	41%	64%	71%	93%
Never married	52	29	29	7
Missing/not determined	7	7		
<b>Number of Children From Noncustodial Father</b>				
1	68 %	67%	27%	37 %
2	22	26	37	38
3	7	6	22	16
4+	2	2	14	9
<b>Child's Father In<sup>c</sup></b>				
Same state	90 %	88 %	67 %	62 %
Different state	10	11	24	29
Other	0	0	10	9
<b>Age of Youngest Child<sup>c</sup></b>				
0-2	11%	3%	26%	10 %
3-5	26	15	27	16
6+	63	81	48	73
<b>Amount of Child Support Due Last Year<sup>b, c</sup></b>				
Mean	\$1,482	\$2,094	\$1,937	\$2,923
Median	\$1,307	\$1,672	\$1,440	\$2,100
<b>Amount of Child Support Received in Last Year<sup>b, c</sup></b>				
Percent with zero	36 %	24 %	31%	32 %
Mean (excludes zeros)	\$1,252	\$1,992	\$1,295	\$2,301
Median (excludes zeros)	\$1,012	\$1,603	\$700	\$1,440
<b>Percent with Health Insurance in Child Support Order</b>				
	45 %	44%	23%	37 %
<b>Percent of Orders That Have Been Modified</b>				
	29 %	42 %	21 %	36 %

TABLE II.8 (continued)

	Case Records Data		CPS Data	
	AFDC Cases with Orders	Non-AFDC Cases with orders	AFDC Cases with order <sup>a</sup>	Non-AFDC Cases with Orders and Contact with Government Agency
Percent of Child Support Due That Was Received				
None	36 %	24 %	31 %	32 %
1-25%	10	9	16	9
26-50%	7	5	9	12
51-75%	8	7	8	8
76-100%	17	27	39	39
Over 100%	20	26	0	0
Missing/not determined	1	2		
Mean (includes zeros)	53	70	41	49
Median (includes zeros)	3s	89	38	47
Mean (excludes zeros)	83	92	68	72
Median (excludes zeros)	90	99	100	100
Time Since Most Recent Order				
Less than 1 year	10 %	5 %	33 %	27 %
1 to 1.99 years	21	16	16	10
2 to 2.99 years	18	14	12	9
3 to 4.99 years	23	28	1s	1s
5 to 9.99 years	22	28	1s	27
10 years or more	6	9	9	12
Mean	4.1 years	4.8 years	3.9 years	5.0 years
Median	3.1 years	4.0 years	3.0 years	4.0 years
CPS Sample Size (unweighted)			374	578
Population Estimate			872,000	1,269,000
Case Records Sample Size (weighted)	705	1,201		

SOURCE The first two columns are based on weighted tabulations of the MPR case records sample. The last two columns are based on tabulations of data from the March-April 1988 CPS public-use file (which includes the April Child Support Supplement).

NOTE: AFDC participation is measured in the CPS as receipt of AFDC in the past year. The CPS is known to undercount AFDC participation. Non-AFDC families who contacted a government agency for child support help are the best approximation to non-AFDC IV-D families available in the CPS, but almost certainly do not include all non-AFDC IV-D families. Former AFDC cases are more likely to be missal. See the text and Chapter V for further discussion of the CPS sample.

<sup>a</sup>Less than 0.5 percent.

<sup>b</sup>Dollar values for the case data have been converted into 1987 dollars, since the CPS data are in 1987 dollars.

<sup>c</sup>Less than 1 percent missing values.



likely to show up in a case sample than in a family sample. Another factor underlying these differences is that, because the CPS data reflect the current marital status of the mother, any mother who has ever married is counted as currently or previously married, even if she never married the children's father.

The case sample also includes a much larger proportion of cases with one child than one would expect, based on the CPS sample. This result may also be due partially to the existence of multiple cases per family in never-married cases. However, it seems unlikely that the full difference can be explained this way.

Other differences in characteristics are not surprising given that never-married mothers tend to be from much more disadvantaged backgrounds--specifically, mothers in the case sample tend to be younger and to have lower child support awards. Our case sample appears to undercount interstate cases relative to the CPS, although some CPS families with fathers in other states may be treated as local cases by the IV-D system (see footnote 11 of this chapter).

Surprisingly, the families in the case sample appear in some ways to have better outcomes than do families in the CPS sample. For example, families in the case sample are more likely to have medical support awards. In addition, families in the case sample receive a larger proportion of the support due to them than do families in the CPS, especially among non-AFDC families. These differences may reflect the fact that, as noted in the previous section, our sample over-represents states whose collection records are relatively good. Another possible explanation is that the **CPS** sample underrepresents **non-AFDC** IV-D cases with high levels of collections and medical **support**, because those who responded that they sought help from a government agency are more likely to be mothers with problems. For example, a few of our sample states have all mothers going through a divorce or separation fill out IV-D applications; such mothers are unlikely to report seeking help in the CPS unless they have problems.

### C. PRECISION OF THE SAMPLE **ESTIMATES**

Two sampling-related issues pertain to using the case records sample to draw inferences about IV-D cases with support orders nationally: (1) whether the sample is representative of the national caseload; and (2) the degree of error potentially introduced by statistical sampling variation.

The representativeness of the sample was discussed in Section B, which indicated that, due to the manner in which the sample was selected, the sample cannot be viewed in a formal statistical sense as being a statistically representative sample of the national population of IV-D cases with orders. However, in the remainder of this section, we will abstract from the issue of formal representativeness in order to discuss the likely magnitudes of statistical sampling error. Essentially, we pose this question: if this sample were nationally representative, how precise would our estimates be as measures of the characteristics of IV-D cases nationally?

The precision of estimates possible from the case records sample (treating it as representative, for now) is a function of both the sample size and the degree of clustering in the sample design. Estimates from a clustered sample design are less precise than estimates based on a simple random sample of the same size. The sample design for the case records sample involved clustering at both the state and local office levels (see Appendix A for a full description of how the sample was selected). Intuitively, we do not capture cross-state and cross-office variation as fully as in a simple random sample.

#### 1. Design Effects

The degree to which variances of estimates based on a clustered sample are higher than those based on a simple random sample is often summarized in the “design effect.” The estimated design effects for the case records sample in this study are relatively high. For the full sample, the design effects are approximately 8 for outcomes pertaining to withholding and 23 for medical **support** outcomes. Those effects imply that confidence intervals associated with withholding estimates **are**

approximately 2.8 times as wide as those based on a simple random sample of comparable size.<sup>14</sup> Confidence intervals associated with estimating medical outcomes are approximately 4.8 times as wide as they would be from a simple random sample. (Design effects are lower for subsamples of the data because, for a given degree of clustering, the design effect is smaller for smaller sample sizes.)

## 2. Confidence Intervals

Table II.9 presents the estimated widths of 95 percent confidence intervals for percentages that are estimated with the case records sample. As indicated in the table, the widths of the confidence intervals depend on both the sample sizes and the true values of the percentages being estimated. For percentage estimates based on the entire sample that are in the range of 50 percent, confidence intervals for withholding outcomes extend approximately plus-or-minus 6.4 percentage points. For instance, if a variable is estimated to be 50 percent, we are 95 percent confident that the true value of the variable lies between 43.6 percent and 56.4 percent. The comparable confidence-level range for medical support outcomes would be plus-or-minus 11.8 percentage points.

As shown in the table, confidence interval sizes are larger when only part of the sample is used to estimate a variable. For instance, when approximately 700 observations are used, as is the case when tabulations are made separately for AFDC cases, the confidence intervals are plus-or-minus 7.1 percentage points and plus-or-minus 12.1 percentage points for withholding and medical outcomes, respectively. For non-AFDC cases, 1,200 observations are available, and with this sample size the comparable confidence intervals are plus-or-minus 6.7 percentage points and plus-or-minus 11.9 percentage points.

## 3. Comparisons Between Subsets of the Data

The variances associated with the sample and with various subsamples also have implications for drawing inferences from comparisons between subsets of the sample, such as comparisons **between**

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<sup>14</sup>The size of the confidence interval increases proportionally to the square root of the design effect.

TABLE II.9

**ESTIMATED SIZES OF CONFIDENCE INTERVALS  
FOR ESTIMATES EXPRESSED AS PERCENTAGES**  
(Entries are Confidence Intervals in Percentage Points)

Value of Proportion Being Estimated	Sample Size				
	200	700 <sup>a</sup>	1,000	1,200 <sup>b</sup>	1,906 <sup>c</sup>
Withholding Outcomes					
10%/90% <sup>d</sup>	<u>+5.5</u>	<u>+4.2</u>	<u>+4.1</u>	<u>+4.0</u>	<u>+3.9</u>
20%/80%	<u>+7.3</u>	<u>+5.6</u>	<u>+5.4</u>	<u>+5.3</u>	<u>+5.1</u>
30%/70%	<u>+8.3</u>	<u>+6.5</u>	~6.2	~6.1	<u>+5.9</u>
40%/60%	<u>+8.9</u>	<u>+6.9</u>	<u>+6.6</u>	<u>+6.5</u>	<u>+6.3</u>
50%	<u>+9.1</u>	<u>+7.1</u>	<u>+6.8</u>	<u>+6.7</u>	<u>+6.4</u>
Medical Support Outcomes					
10%/90%	<u>+8.0</u>	<u>+7.3</u>	<u>+7.2</u>	<u>+7.2</u>	<u>+7.1</u>
20%/80%	<u>+10.6</u>	<u>+9.7</u>	<u>+9.6</u>	<u>+9.6</u>	<u>+9.5</u>
30%/70%	<u>+12.2</u>	<u>+11.1</u>	<u>+11.0</u>	<u>+10.9</u>	<u>+10.8</u>
40%/60%	<u>+13.0</u>	<u>+11.9</u>	<u>+11.8</u>	<u>+11.7</u>	<u>+11.6</u>
50%	<u>+13.3</u>	<u>+12.1</u>	<u>+12.0</u>	<u>+11.9</u>	<u>+11.8</u>

NOTE: See Appendix A for a discussion of how the entries in the tables were computed.

<sup>a</sup>Approximate size of AFDC sample.

<sup>b</sup>Approximate size of non-AFDC sample.

<sup>c</sup>Size of total case records sample.

<sup>d</sup>The confidence interval for any proportion  $p$  is the same as the confidence interval for the proportion  $(1 - p)$ .

AFDC and non-AFDC cases. Small differences between different subsets of cases in the sample may be suggestive of differences in the underlying populations but may also potentially be due to statistical sampling error. For instance, if a percentage variable in the range of 50 percent is being compared for AFDC and non-AFDC cases, only differences between AFDC cases and non-AFDC cases that are larger than 13 percentage points are statistically significant. (Appendix A describes the derivation of this 13 percentage point estimate and provides information on how similar precision estimates can be calculated for comparisons between subsets of the sample.)

### III. INCOME WITHHOLDING

This chapter discusses the implementation, costs, and effectiveness of the income withholding procedures required by the **1984** Amendments. It addresses the following questions:

- What procedures have been established to implement withholding? Do any of the procedures used seem likely to create delays or other problems?
- To what extent is withholding being implemented in all appropriate cases? How promptly is withholding implemented? How does its implementation differ for states that require immediate withholding in new support orders?
- What procedures and what case characteristics make withholding more or less likely?
- Does immediate withholding increase collections relative to non-immediate withholding?
- How much does it cost to initiate withholding?
- What are the barriers to increasing collections through withholding?

Section A provides background on the provisions of the **1984** Amendments and implementing regulations pertaining to income withholding. Section B discusses the withholding procedures in use in the sample offices, and Section C discusses the extent to which withholding is successfully implemented, and examines factors associated with withholding success. Section D presents some preliminary results on the effects of immediate withholding on collections, Section E considers the costs of initiating withholding, and Section F discusses barriers to implementing withholding. Finally, Section G presents conclusions and policy recommendations.

#### A. BACKGROUND

The **1984** Amendments required that the states order employers to withhold child support from the earnings of obligors who accumulate one month or more of arrears in all IV-D cases and in **non-IV-D** cases with orders dated after the Amendments went into effect. The Amendments and subsequent regulations provide information and guidelines to the states on how income withholding

is to be applied to the obligor and to the obligor's employer. States were required to pass any necessary laws to implement the withholding provisions of the Amendments.\*

1. Provisions of the 1984 Amendments Pertaining to Income Withholding

As set out by the **1984** Amendments, income withholding is mandatory in IV-D cases (and in non-IV-D cases with orders dated after the Amendments) when the absent parent accrues an arrearage equal to one month of support. Specifically, the regulations state that income withholding be triggered “at the earliest of (i) the date on which the parent fails to make payments in an amount equal to the support payable for one month, (ii) such earlier date that is in accordance with State law, or (iii) the date on which the absent parent requests withholding.” When triggered by one of these three provisions, income withholding must also be initiated automatically “without the need for any amendment to the support order involved or for any further action by the court or other entity which issued” the support **order**.<sup>2</sup>

Under the federal law, the amount withheld from the noncustodial parent's income must be sufficient to cover the basic support amount and, if allowed by state law, any fee to be paid to the employer to cover the administrative costs of withholding. Amounts withheld from income must not be more than the maximum limit allowable under the Consumer Credit Protection Act (CCPA)? If arrears exist, the regulations require that an amount be withheld “to be applied toward liquidation

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\*The Family Support Act of **1988** required provisions for immediate withholding be included in all orders in IV-D cases (with limited exceptions) starting in November 1990. Our sample cases all have orders from before **FSA** implementation.

<sup>2</sup>The provisions of the **1984** Amendments and subsequent regulations cited in this section come from 45 CFR **303.100(a)(2), (4)**, and (9); 45 CFR 100(d)(1)(v) and (viii); 45 **CFR 303.100(f)**; and 42 USC 666(b)(4).

<sup>3</sup>The Consumer Credit Protection Act generally limits withholding to 50 percent of disposable income if the earner is supporting another dependent, and to 60 percent if the earner does not have another dependent. These percentages increase to 55 and 65 percent, respectively, if the amount in arrears has been delinquent for 12 or more weeks (Williams et al., 1990).

of overdue support.” However, the total amount withheld (i.e., basic support plus the fee plus arrears) may be (and usually is) set below the maximum allowable amount under the CCPA.

The 1984 Amendments and subsequent regulations clearly state that income withholding “be carried out in full compliance with all procedural due process requirements of the State.” To this end, states are required to establish procedures by which the noncustodial parent can contest the withholding, and to send the noncustodial parent an advance notice that outlines the proposed withholding and procedures for contesting **withholding**.<sup>4</sup>

If the noncustodial parent chooses to contest the withholding action, the federal regulations require that states take the following action within 45 days after sending the advance notice: (1) provide an opportunity for the noncustodial parent to present his/her case, (2) determine whether the proposed income withholding will be implemented, (3) **notify** the noncustodial parent of the determination and, if income withholding is to be implemented, the date on which withholding will be initiated, and (4) send the employer a notice that specifies the amount to be withheld if the income withholding is to be implemented.

Federal law requires that the employers be notified to initiate income withholding. The law also requires that the notification include specific instructions on how withholding is to be implemented. In addition to these instructions, the notice to employers must also outline the employer’s responsibilities under the income withholding order and the consequences of failing to comply—for example, that the employer may be held liable for any amounts that are not withheld after the employer has been notified to begin withholding.’

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<sup>4</sup>**The** requirement for advance notice does not apply to states which had a withholding system in effect on August 16, 1984, as long as that system meets the procedural due process requirements of state law.

‘States have the authority to fine an employer for “discharging an absent parent from employment, refusing to employ, or taking disciplinary action against any absent parent because of the withholding.” Employers are also instructed that the child support withholding “shall have priority over any other legal process under State law against the same wages.”



The 1984 Amendments require that states establish procedures for terminating withholding. However, federal law and regulations provide little guidance on how this should be done. Federal regulations state that “in no case should payment of overdue support be the sole basis” for terminating the withholding. Withholding also cannot be terminated solely on the basis that an obligor pays arrears upon notification.

Under the federal regulations, “the State may extend its system of withholding to include withholding from forms of income other than wages.” Withholding from Unemployment Compensation has been required for all IV-D cases since 1981. Other sources eligible for withholding include an independent contractor’s income, pension income, and various types of government benefits, such as disability payments.

## 2. The Application of Immediate Withholding

The 1984 Amendments define the trigger point at which withholding must be initiated as the accrual of arrears equal to one month of support or on “such [an] earlier date that is in accordance with State law.” This provision allowed states to implement immediate withholding. By January 1, 1988, six states had passed laws that required immediate withholding in some or all new cases.<sup>6</sup> In states in which immediate withholding was not required by law, it could be implemented in individual cases. The Family Support Act of 1988 required that all states begin immediate withholding in all new or modified support orders for IV-D cases starting in November 1990. All new or modified child support orders (including non-IV-D cases) must include immediate withholding provisions starting in 1994.<sup>7</sup>

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<sup>6</sup>The six states which passed some variation of immediate income withholding legislation as of January 1, 1988 were Arizona (effective on January 1, 1988), Texas (effective for IV-D cases in September 1985), Massachusetts (effective in July 1986), Ohio (effective in December 1986), Wisconsin (effective on July 31, 1987), and Minnesota (effective in August 1987). In 1988 Hawaii and Illinois passed immediate income withholding legislation, and Virginia passed a state law that required immediate income withholding for administrative orders.

<sup>7</sup>The FSA allows exceptions to immediate withholding if the obligor shows good cause or if there is mutual agreement between the parties.

The extent to which state law required immediate withholding varied among the states that implemented immediate income withholding under the 1984 Amendments. Some states required immediate income withholding without exception, if income was available to be attached. Other state laws granted certain exceptions to immediate income withholding, such as evidence of “good cause” for not initiating immediate withholding, written agreement by the obligor and obligee to suspend the immediate withholding requirement, or evidence that the income withholding was likely to cause irreparable harm to the obligor. In Minnesota, the immediate income withholding provision was restricted to five jurisdictions.

### 3. National Trends in Withholding Collections

Collections from income withholding have grown dramatically since the 1984 Amendments took effect. Between FY86 and FY89, total income withholding collections in real dollars (inflation adjusted) doubled for AFDC cases, tripled for non-AFDC cases, and increased by 160 percent overall (see Figure III.1 and Appendix Table C.3). Withholding collections per *case* increased 91 percent for AFDC cases (where the growth in the caseload was small), and increased by 73 percent for **non-AFDC** cases (where the caseload grew enormously).<sup>8</sup> By FY89, 41 percent of **all** child support collected through the IV-D program was collected through income withholding. Withholding **from** Unemployment Compensation, which is tracked separately in OCSE program data, grew by 39 percent overall, but remained a small proportion (about one percent) of total collections (see Appendix Table C.3).

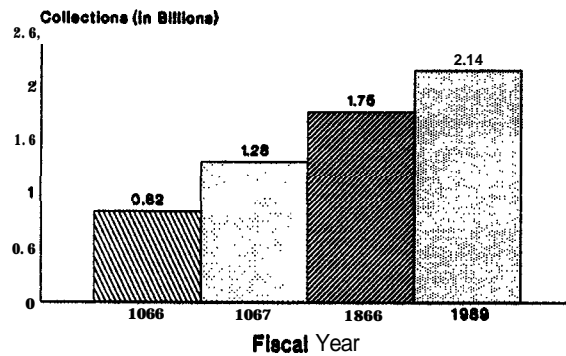
However, these figures do not enable us to determine whether withholding is being used to its fullest extent—that is, whether withholding is imposed in all required cases, or as promptly as possible. Moreover, the aggregate statistics on collections provide no evidence on the effect of withholding **on**

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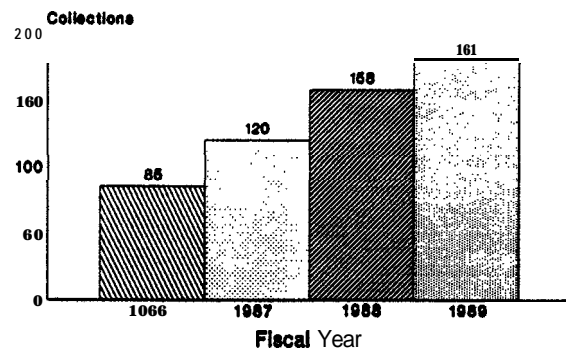
<sup>8</sup>Note that there is a larger growth in withholding collections per case for the entire caseload than for AFDC and non-AFDC cases analyzed separately. This is due to the fact that non-AFDC cases, which tend to have larger collections, have become a larger proportion of the total caseload.

# **FIGURE III.1** **TRENDS IN WITHHOLDING COLLECTIONS** **BASED ON OCSE PROGRAM DATA**

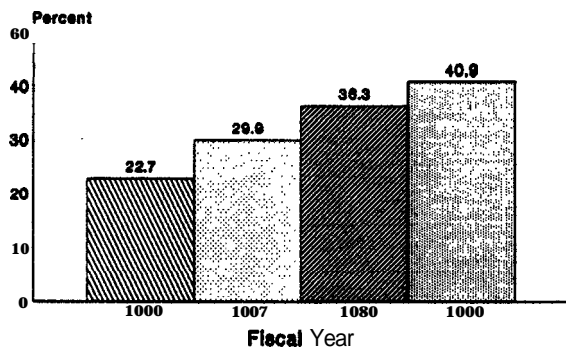
COLLECTIONS FROM INCOME WITHHOLDING  
 (IN 1989 DOLLARS)



INCOME WITHHOLDING COLLECTIONS PER CASE  
 (IN 1989 DOLLARS)



PERCENT OF TOTAL COLLECTIONS FROM  
 INCOME WITHHOLDING



SOURCE: OCSE (1987, 1988, 1989, 1990).

total collections, since it is likely that a significant proportion of collections through withholding replace collections that would have been obtained with some other method had withholding not been used.

## B. WITHHOLDING PROCEDURES

Six steps are involved in implementing withholding in response to delinquency: (1) tracking payments to identify whether and when the triggering arrearage occurs, (2) locating the employer and verifying employment, (3) issuing the withholding order and sending advance notice to the obligor, (4) resolving contests by the obligor, (5) notifying the employer, and (6) monitoring whether the employer begins withholding. Once withholding has been implemented, ongoing withholding must be monitored, and funds disbursed to the custodial parents. Moreover, special procedures are needed for implementing non-standard types of withholding: immediate withholding, non-wage withholding, and interstate withholding.

The staff survey data suggest that many offices use procedures that, while probably in compliance with federal regulations, seem **likely** to slow down the process of initiating withholding. In particular, offices may be slow in initiating required withholding since arrears are frequently tracked manually and since the agency responsible for tracking arrears typically differs from the agency responsible for initiating withholding. Sources of employment information are usually checked promptly when an order is established or when arrears are first detected, but are not always rechecked periodically for obligors not initially employed. Courts are extensively involved in issuing withholding orders and hearing contests of withholding actions. Few offices have automated facilities for issuing notices to obligors or employers, and only a third of sample offices can computer-generate delinquency reports. Finally, some offices require more paperwork for interstate withholding than necessary under federal regulations.

## 1. Tracking Arrears and Searching for Employers

An effective program for withholding child support in response to delinquency must have timely procedures for determining when withholding should be initiated and if and where a delinquent obligor is employed. Knowing when to initiate withholding requires that support payments be monitored. When a determination is made to initiate withholding, it is then necessary to determine (1) whether the obligor has regular income that can be withheld, and (2) the source of that income.

Table III.1 presents the characteristics of the processes that the 29 offices who responded to our survey use to track support payments and identify income sources. In 16 of the 29 offices surveyed, an agency other than the agency that implements withholding--typically, a court clerk's office--is responsible for tracking payments and determining when the withholding trigger has been reached. Relying on an outside agency to track payments potentially retards the process of initiating withholding, and requires additional coordination.

In 11 of the 29 offices surveyed, procedures for identifying the triggering arrearage are completely manual; another 11 offices use a combination of manual and automated procedures. Only 7 offices are fully automated.

When an obligor is known to have reached the triggering arrearage, it is necessary to determine whether he has income that can be withheld--usually by ascertaining whether he is employed, and, if so, by identifying his employer. In over two-thirds of the offices surveyed, the obligor is required (by law or policy) to provide employment information as part of the original support proceedings, and to inform the IV-D agency of any change in address or employer. However, only two of the 29 offices (both in the same state) reported that they require annual or semi-annual financial statements.

When employment information is not available in the files, a key source for attempting to identify the employer is the State Employment Security Agency (SESA) wage records database. All **the offices use SESA data, but their methods for doing so vary considerably. The majority of offices** have on-line access to these data at least for some of their cases; other offices access these data

TABLE III.1  
CHARACTERISTICS OF **THE** PROCESS FOR TRACKING SUPPORT **PAYMENTS**  
AND **IDENTIFYING** INCOME SOURCES

	Number of Sample <b>Offices</b>	Percent of Sample <b>Offices</b>
The Administrative Entity <b>That</b> Tracks Payments Differs <b>From</b> the One <b>That</b> Initiates Withholding	16	55 %
<b>Processes</b> Used to Track Payments and Identify When Withholding Is Required		
Manual	11	38%
Automated	7	24
Combination of both	11	38
Information Required from <b>Obligors</b> at Initial Support <b>Proceedings</b> <sup>a</sup>		
Social Security number	<b>20</b>	<b>69 %</b>
Address	24	83
Current employer	21	72
Information Required from <b>Obligors</b> After Support Orders		
Change of address	21	72 %
Change of employer	22	76
Annual or semi-annual <b>financial statements</b>	2	7
Methods for Obtaining Employment Information from the State Employment Security Agency ( <b>SESA</b> ) <sup>a</sup>		
On-line access by enforcement workers	13	45 %
On-line access by a <b>limited</b> number of workers	<b>5</b>	17
On-line access through state parent locator <b>service</b> only	2	7
Batch interface	18	62
Periodic <b>requests</b> to <b>SESA</b>	12	41
Missing	1	3
Frequency with Which <b>SESA</b> Data System Is Rechecked after an Unsuccessful Attempt To Locate Withholdable Income		
At least quarterly	21	72 %
Other	1	3
No recheck	<b>5</b>	17
Missing	2	7
Number of Offices <b>Reporting</b>	29	

SOURCE: MPR **surveys** of local IV-D **office** staff, completed largely in fall and **winter 1990-1991**.

NOTE: Staff were asked to respond concerning withholding procedures in use in 1989, before the implementation of the Family Support Act.

<sup>a</sup>**More than** one answer may be indicated. Percentages may thus sum to more than 100 percent.

through batch interface or use some combination of access methods. (For example, one state in our sample maintains the data on-line for obligors who are in arrears, but must request the data for other obligors.)

The majority (72 percent) of offices recheck the SESA database at least quarterly if the database does not initially provide employment information. However, 17 percent do not periodically recheck the system after an initial inquiry has been unsuccessful, thereby leading to lost opportunities to identify the employers of **obligors** who change their employment status or whose earnings are not posted on the system until after the first inquiry.

Most of the surveyed offices (93 percent) reported that they check the State Employment Security Agency database within 30 days after withholding is triggered (Table IJJ.2). Most also attempt to obtain information from the custodial parent and the State Parent Locator Service within a month. Offices tend to wait until later in the process to use the Federal Parent Locator Service and Project 1099 (a federal program in which the IRS 1099 Form is used to locate address and asset information for obligors), and 8 **offices** do not use the Project 1099 referral at all. Offices use these latter two sources largely to help locate the obligor, and may rely on them only after exhausting other options for determining the obligor's location and employment status.

## 2. Initiating and Monitoring Withholding

Once the employer has been identified, the law and regulations stipulate that a withholding order be issued automatically to the employer unless the obligor chooses to contest the withholding. As indicated in Table **III.3**, 67 percent of non-immediate withholding offices do not require the involvement of the courts to initiate withholding; for those that do, most (5 of 6 offices) require a judge's signature on the withholding order.<sup>9</sup> In addition, two of the offices that did not require court

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<sup>9</sup>Tables **III.3** and **III.4** include only offices **not using** immediate withholding, in order to describe procedures used for withholding in response to delinquency. (While withholding in response to delinquency is used for older cases in immediate withholding jurisdictions, staff tended to respond to survey questions by mentioning immediate withholding procedures.)

TABLE III.2

NUMBER OF DAYS AFTER WITHHOLDING IS REQUIRED UNTIL THE INITIATION OF  
 ACTIVITIES TO SEARCH FOR EMPLOYER  
 (Entries Are Percentages and Number of Sample Offices Reporting the Time Shown)

Source of Emolover Data	Days				Source Not Used	Missing	Total
	0-30	31-60	61-90	>90			
Percent of Offices							
State Employment Security Agency Database Search	93 %	3 %	0 %	0 %	0 %	3 %	100
State Parent Locator Service Referral	59	14	7	0	17	3	100
Federal Parent Locator Service Referral	45	28	24	0	0	3	100
Federal Project 1099 Referral	28	17	14	10	28	3	100
Custodii Parent	69	21	0	0	7	3	100
Other	21	14	0	0	62	3	100
Number of Offices							
State unemployment Security Agency Database Search	27	1	0	0	0	1	29
State Parent Locator Service Referral	17	4	2	0	5	1	29
Federal Parent Locator Service Referral	13	8	7	0	0	1	29
Federal Project 1099 Referral	8	5	4	3	8	1	29
Custodii Parent	20	6	0	0	2	1	29
Other	6	4	0	0	18	1	29

SOURCE: MPR surveys of local IV-D officia staff, completed largely in fall and winter 1990-1991.

NOTES: Each office was asked about each data source: percentages in each row thus sum to 100 percent.

State Employment Security Agencies maintain earnings records for all workers part of the Unemployment Insurance system. IV-D agencies have access to these records under Federal law.

State Parent Locator Services are state offices which centrally search various state databases to locate noncustodial parents.

The Federal Parent Locator Service can access numerous national databases to locate noncustodial parents. All IV-D offices have access to this service.

Federal Project 1099 is a program run by OCSE in cooperation with the Internal Revenue Service (IRS), in which IRS 1099 forms are searched for information on the address and assets of obligors.



TABLE III.3

PROCESSES USED TO INITIATE WITHHOLDING  
FOR **OFFICES** NOT USING IMMEDIATE WITHHOLDING

	Number of Offices	Percent of Offices Not Using Immediate Withholding
If Withholding Is Not Contested, <b>Is</b> Court Involvement Necessary?		
Always	4	22 %
Usually	2	11
Sometimes	0	0
Never	12	67
If Court Involvement Is Necessary, What Is Its Involvement? <sup>a</sup>		
Judge's signature	5	28%
Court clerk files paper	3	17
Court clerk issues notice	2	11
Court clerk mails notice to employer	2	11
No court involvement	12	67
If Withholding Is Initiated through Administrative Processes, What Action Is <b>Required?</b> <sup>a</sup>		
Signature of enforcement worker	7	39 %
Signature of administrative hearing officer	2	11
Number of Offices Reporting	18	

SOURCE: MPR surveys of local IV-D office **staff**, completed largely in fall and winter 1990-1991.

NOTE: Staff were asked to respond concerning withholding procedures in use in 1989, before the implementation of the **Family** Support Act.

<sup>a</sup>**More** than one answer may be indicated Percentages may thus sum to more than 100 percent.

involvement require that an administrative hearing officer sign the withholding order. These procedures are likely to delay the implementation of withholding.

The obligor must be sent an advance notice of withholding, and be given a forum for contesting the withholding order consistent with the state's due process laws. As indicated in Table III.4, all sites in our sample not using immediate withholding gave the **obligor** prior notice of withholding. However, most sites do not have the facilities to computer-generate this notice when the triggering arrearage accrues--but rather prepare notices manually.

Across offices, an average of 5 to 6 percent of withholding actions are contested (not shown in table). In most offices, contest procedures involve formal hearings but sometimes there are informal steps first. In 17 percent of the offices, a judge usually presides in contests of withholding. Referees or masters in the judicial branch preside over these contests in 33 percent of offices, while non-judicial hearing officers preside in 17 percent. The other offices use different types of staff depending on the type of hearing. While most offices report that decisions are typically made within the 45 days specified in the regulations, 2 offices (11 percent) reported longer required times for the contest process.

The final step in implementing withholding is sending the notice to the employer to begin withholding (Table III.5). The notices in most of the surveyed sites are prepared manually either by a court clerk or by a child support enforcement worker. Only 3 of the 29 offices have automated procedures. In a majority of offices, the notice is usually sent by certified mail; most of the other offices use regular mail. For approximately half the offices, staff reported that withholding notices reach the employer within 5 days after being prepared. Virtually all offices said that the employer receives the notice within 30 days.

The extent to which automated and manual procedures are used to monitor the receipt of withholding payments varies among the offices. In 10 offices (35 percent), a computer system generates delinquency reports; in 11 offices (38 percent), computerized payment records are checked

TABLE III.4  
PROCEDURES FOR CONTESTING WITHHOLDING  
FOR OFFICES *NOT* USING IMMEDIATE WITHHOLDING

	Number of Offices	Percent of Offices Not Using Immediate Withholding
Is Obligor Given Prior Notice of Withholding?		
No	<b>0</b>	<b>0 %</b>
Yes	<b>18</b>	<b>100</b>
If Notice Is Given, How Is the Obligor Notice Usually Prepared?		
Prepared manually by support enforcement worker	<b>11</b>	<b>61 %</b>
Automatically computer-generated when the specified arrearage accrues	<b>4</b>	22
Computer-generated from individual input Court clerk, based on written request from support enforcement worker	<b>1</b>	6
Court clerk, based on computer-generated request	<b>1</b>	6
Court clerk, based on delinquency reports	<b>0</b>	0
Other	<b>0</b>	0
Other	<b>1</b>	6
Methods Used To Allow Obligor To Contest Withholding		
Administrative review (not a formal hearing) <b>only</b>	1	6 %
Administrative hearing (formal hearing) only	3	17
Court hearing only	8	44
Combination of the above	6	33
Entity That Typically Conducts Any Formal Contest Process		
Court only	10	56 %
Administrative hearing unit within the same umbrella agency as the IV-D agency only	3	17
<b>Administrative hearing unit within a different</b> agency than the IV-D agency only	<b>0</b>	0
IV-D agency only	<b>1</b>	6
Combination of the above	4	22

TABLE III.4 (continued)

	Number of O f f i c e s	Percent of Offices Not Using Immediate Withholding
Who Usually Presides?		
Judge	3	17 %
Referee or master (or similar position) in the judicial branch	6	33
Administrative hearing officer not in the judicial branch	3	17
<b>IV-D</b> staff person	1	6
Presiding official varies	4	22
Missing	1	6
Time Usually Required between the Receipt of a Contest Request and the Decision		
1-5 days	2	11 %
6-10 days	0	0
11-20 days	3	17
21-30 days	5	<b>28</b>
31-45 days	4	22
More than 45 days	2	11
Missing	2	11
Number of Offices Reporting	18	

SOURCE: MPR surveys of local TV-D office staff, completed largely in fall and winter 1990-1991.

NOTE: Staff were asked to respond concerning withholding procedures in use in 1989, before the implementation of the Family Support Act.

TABLE III.5  
PROCEDURES FOR ISSUING WITHHOLDING  
NOTICES TO EMPLOYERS

	Number of Sample Offices	Percent of Sample Offices
How Is Withholding Notice to Employer Generated?		
Manually by court clerk	9	31 %
Manually sent by support enforcement worker	16	55
Automatically computer-generated by IV-D agency	3	10
Other	1	3
How Is It <b>Usually</b> Sent?		
Regular mail	10	34 %
Certified <b>mail</b>	15	52
Other	4	14
Typical Elapsed Time between the Preparation of the Withholding Order and Its Receipt by The Employer		
1-5 days	15	52 %
6-10 days	6	21
11-20 days	1	3
21-30 days	6	21
Missing	1	3
Number of Offices Reporting	29	

SOURCE: **MPR** surveys of local IV-D office staff, completed largely in **fall** and winter 1990-1991.

NOTE: Staff were asked to respond concerning withholding procedures in use in 1989, before the implementation of the Family Support Act.

manually. Six offices (21 percent) check hard-copy records. (Data on procedures for monitoring withholding are provided in Appendix Table C.4.)

### 3. Withholding from Non-Wage Income

All states are required to withhold child support from Unemployment Compensation. In addition, the 1984 Amendments permit them to withhold child support from other regular income sources. According to office reports shown in Table III.6, few offices **successfully** implement withholding from either self-employment income or non-wage income other than Unemployment Compensation. Twenty-six of 29 offices (90 percent) report withholding from 20 percent or less of self-employed obligors, and, of these, 8 offices (28 percent) report never withholding from **self-**employed obligors. Similarly, most offices report collecting non-wage withholding from less than 20 percent of both AFDC and non-AFDC cases.

### 4. Interstate Withholding

Interstate income withholding is intended to be a much simpler procedure than most interstate child support actions. The IV-D agency in the **obligee's** state should simply send the withholding order to the IV-D agency in the responding state, and have the responding agency enforce the order as if it were a local order. Under federal regulations, the required paperwork is a copy of the support order and an arrearage affidavit. **Nine** (31 percent) of the 29 offices require additional paperwork for incoming requests (Table III.7). The paperwork requirements mentioned by local staff suggest that some offices treat interstate withholding as an action under the Uniform Reciprocal Enforcement of Support Act (URESA), which implies a much lengthier process for implementing **withholding**, involving not only the IV-D agencies but also the courts. For example, some offices require three certified copies of the support order and the URESA form for testimony from the custodial parent,

TABLE III.6  
WITHHOLDING FROM NON-WAGE INCOME

	Number of Sample Offices	Percent of Sample Offices
Among Self-Employed Obligors for Whom Withholding is Required, Proportion for Whom it is Successfully Initiated		
None	8	28 %
<b>1-20%</b>	18	62
21-40%	2	7
41-60%	1	3
Proportion of Cases with Non-Wage Withholding (Other than from <b>UI</b> )		
<b>AFDC Cases</b>		
<b>1-20%</b>	25	86 %
<b>21-40%</b>	2	7
41-60%	1	3
Missing	1	3
Non-AFDC Cases		
<b>1-20%</b>	<b>21</b>	69 %
<b>21-40%</b>	<b>8</b>	3
Missing		28
<b>Number of Offices Responding</b>	29	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

NOTE: Staff were asked to respond concerning withholding procedures in use in 1989, before the implementation of the Family Support Act.

TABLE III.7  
INTERSTATE WITHHOLDING

	Number of Sample Offices	Percent of Sample Offices
Paperwork Required for Incoming Interstate Withholding Requests		
Same as federal regulations	20	<b>69 %</b>
Additional paperwork required	9	31
Types of Additional Paperwork <b>Required<sup>a</sup></b>		
Three certified copies of support order	<b>4</b>	14 %
Certified copy of the withholding order	<b>2</b>	7
Assignment of support rights	<b>3</b>	<b>10</b>
Copy of income withholding statute	<b>4</b>	<b>14</b>
URESA testimony from the custodial parent	<b>3</b>	<b>10</b>
Address and Social Security number of obligor	<b>2</b>	7
Name and address of employer	<b>1</b>	<b>3</b>
Name of agency contact person	<b>1</b>	<b>3</b>
Special Procedures for Outgoing Interstate Income Withholding		
No	18	<b>62 %</b>
<b>Yes</b>	9	<b>31</b>
Missing	2	7
Attempt Is Made to Serve Employer with a Withholding Order within the State When the Obligor Works in Another <b>State<sup>b</sup></b>		
No	<b>4</b>	<b>14 %</b>
<b>Yes</b>	<b>25</b>	<b>86</b>
Number of Offices Reporting	29	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

NOTE: Staff were asked to respond concerning withholding procedures in use in 1989, before the implementation of the Family Support Act.

<sup>a</sup>**More** than one answer could be indicated,

<sup>b</sup>**This** question refers to a method for avoiding interstate processing. If an out-of-state employer has a legal agent within the state, the withholding order can be served on the legal agent. The employer is then bound by the order in the same manner as an in-state employer.



both of which are typically required to register a support order in the court of another state under URESA.<sup>10</sup>

When doing so is possible, most (86 percent) of the offices attempt to avoid interstate withholding by serving an income withholding order on an out-of-state employer at a branch or agent of the company within the state. This procedure could greatly reduce interstate processing.

### 5. Immediate Withholding

Eleven of the 29 **offices** in our sample (spread across 4 states) were required by **state** law to use immediate withholding in 1989. Ninety-one percent of the offices in immediate withholding states report that at least 90 percent of support orders include immediate withholding (Table **III.8**). Of the 11 offices that were required by law to implement immediate withholding, 64 percent required immediate withholding for all new orders, and 55 percent also required withholding for all modified orders. Another 36 percent required immediate withholding for all new or modified IV-D orders. Several offices allow exceptions for good cause or if the parties agree not to use withholding.

Among the 18 offices where immediate withholding was not required by law, most reported using immediate withholding in some circumstances. Only four offices reported never using immediate withholding. In three offices, either court or IV-D agency policy required that it be used in all new or modified orders--policies that were no doubt anticipating the eventual implementation of **FSA**. Eight offices reported using immediate withholding at the discretion of the presiding officer, while 2 reported using other rules for implementing immediate withholding.

## C. IMPLEMENTING WITHHOLDING

This section discusses the availability of employment information, the extent to **which** withholding is attempted and is successfully initiated when appropriate, the characteristics of withholding orders,

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<sup>10</sup>We cannot determine from our data if these are state or local requirements. However, requirements mentioned were usually similar for offices in the same state.

**TABLE III.8**  
THE **CHARACTERISTICS** OF IMMEDIATE INCOME WITHHOLDING

	Offices in Immediate Withholding States	Offices in Other States	Total Sample
<b>Number of Offices</b>			
Percentage of New Orders Which <b>Include</b> Immediate Withholding (Staff Estimates)			
None	0	4	4
<b>&lt;1-25</b>	0	7	7
<b>26-50</b>	0	0	0
51-75	0	1	1
<b>76-90</b>	1	3	4
91-100	10	3	13
Circumstances in Which Immediate Withholding Is <b>Included in Order<sup>a</sup></b>			
New support <b>orders</b>	7	3	10
Modified support orders	6	3	9
New orders in IV-D cases <b>only</b>	4	1	5
Modified orders in IV-D cases <b>only</b>	4	0	4
<b>New orders unless the obligor and obligee agree not to use withholding</b>	2	1	3
New <b>orders unless the obligor shows good cause</b>	3	2	5
At the discretion of presiding officer	0	8	8
Other	0	2	2
<b>Percent of Offices</b>			
Percentage of New Orders Which Include Immediate Withholding (Staff Estimates)			
None	0%	22 %	14 %
<b>&lt;1-25</b>	0	39	24
<b>26-50</b>	0	0	0
51-75	0	6	3
<b>76-90</b>	9	17	14
<b>91-100</b>	91	17	45
Circumstances in Which <b>Immediate</b> Withholding <b>Is Included in Order<sup>a</sup></b>			
New support orders	64%	17 %	35 %
Modified support orders	55	17	31
New orders in IV-D <b>cases only</b>	36	6	17
Modified orders in IV-D cases <b>only</b>	36	0	14
New orders unless the obligor and obligee agree not to use withholding	18	6	10
New orders unless the obligor shows good cause	27	11	17
At the discretion of presiding officer	0	44	28
Other	0	11	7
Number of <b>Offices</b> Reporting	11	18	29

SOURCE MPR **surveys** of **local** IV-D office staff, completed **largely** in **fall** and winter 1990-1991.

NOTE: Staff were asked to respond concerning withholding **procedures** in use in 1989, before the implementation of the **Family** Support Act.

<sup>a</sup>**More** than one answer could be indicated. Percentages may thus sum to over **100** percent.

the reasons that withholding is not initiated or sustained in particular cases, and the duration of withholding. Finally, we consider the circumstances in which withholding is most likely to occur, including whether immediate withholding increases the incidence of withholding.

Throughout this analysis we focus on the difference between cases that were subject to immediate withholding and those not subject to such withholding. We consider a case to be subject to immediate withholding if the case is from a jurisdiction that required immediate withholding by law at the time of the most recent order for that case. Under this definition, not all “immediate” withholding cases have immediate withholding in their order since exceptions to immediate withholding requirements are made in the four states with such laws that were included in our sample. Furthermore, some of the “non-immediate” withholding cases will, in fact, have immediate withholding in their orders since courts in states without immediate withholding laws were generally free to include immediate withholding in specific cases. Overall, 35 percent of the non-immediate withholding cases had immediate withholding included in their order, while 88 percent of the immediate withholding cases had immediate withholding included in their order.”

By focusing on cases subject to immediate withholding we focus on the effect of having an immediate withholding *law* that applies to most cases rather than on the effect of including immediate withholding in specific cases. An analysis of this latter issue would be very difficult since cases in which immediate withholding was included in the order would tend to differ from other cases for a variety of reasons in addition to immediate withholding. As a result, differences in case outcomes, such as the collection rate, could not be attributed to the presence of immediate withholding with any degree of certainty.

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“These percentages are percentages of **nonmissing** data. Data on the withholding provisions of the order was missing for 53 percent of immediate withholding cases and 7 percent of the **non-immediate** withholding cases.

In the analysis of non-immediate withholding cases, we focus on non-immediate cases with arrears greater than one month. These cases are subject to withholding under the provisions of the **1984** Amendments.

Among the findings of this section are that withholding is not always attempted when one month of arrears accrue, and that unemployment and the lack of employment information on the obligor are major barriers to implementing withholding. Withholding is frequently ordered only for the amount of current support, even for cases with arrears. Withholding spells tend to be either quite short or fairly long, and it frequently takes some time to reestablish withholding after an interruption. At least half of withholding spells end because the obligor loses the job. Finally, cases subject to immediate withholding are significantly more likely to have withholding in place than cases not subject to immediate withholding.

#### 1. The Availability of Employment Information

The major reasons that withholding is not implemented when arrears accrue (or in immediate withholding cases) are unemployment of the obligor or the IV-D office's inability to locate an employer. In order to assess the availability of employment information we analyzed (1) our abstracts of the case records, and (2) data we obtained from State Employment Security Agency (SESA) wage records **databases**.<sup>12</sup> The case record data indicate the employment information known to the IV-D agency at the time of our abstraction. The SESA data are available to the IV-D agency, although some of the SESA data we collected may have been posted to the SESA **files** after the date of our case-record abstraction.

In assessing the extent to which employment data were available to the IV-D office, we focus on non-immediate withholding cases. Among these cases, we first consider AFDC cases then **non-AFDC** cases.

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<sup>12</sup>We used SESA wage records data from two quarters before the quarter of the abstraction.

In non-immediate withholding AFDC cases, the **SESA** records and the case files both reported employment information for 29 percent of cases (Table **III.9**). For 16 percent of AFDC cases, the SESA records contained information but the case file did not; for 20 percent, the case file contained employment information but the wage records did not. Thus, employment was indicated in one or both data sources for 64 percent of the AFDC cases.

For another 10 percent of the AFDC cases, the case file contained specific information that the obligor was not working. For the remaining 26 percent of the AFDC cases, neither source specified whether the obligor had a **job**.<sup>13</sup>

The corresponding data for non-AFDC cases are quite similar. However, for approximately 7 percentage points more of the non-AFDC cases than of the AFDC cases, one or both sources indicated that the obligor was employed. The percentage of cases for which there was no employment information was 5 percentage points lower for the non-AFDC **cases**.<sup>14</sup>

When the name of an employer is available in the cases file, we would expect the IV-D agency to attempt withholding when arrears accrue. Because the information may at times be dated, the withholding attempt will not always be successful. Lack of earnings information in the wage records when case file information is present may indicate the **file** information is dated or that the obligor is working in an uncovered job.<sup>15</sup> Certain types of earnings are not covered by the Unemployment Compensation system, and thus not recorded in the wage records databases. In particular, the databases do not record earnings of out-of-state workers, self-employed workers, federal workers, and off-the-books employees. Such employment may be known to the IV-D agency from other sources.

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<sup>13</sup>Appendix Table C.5 presents employment information for non-immediate cases in greater detail.

<sup>14</sup>Appendix Table C.6 presents employment information for immediate withholding cases.

<sup>15</sup>If case files indicated the obligor had recently left a job, the case was coded as not currently employed. The possibility of dated information arises only if an employer name was in the files with no indication the obligor had left the job.

TABLE III.9

**THE AVAILABILITY OF EMPLOYMENT INFORMATION FOR NON-IMMEDIATE  
WITHHOLDING CASES WITH REQUIRED ARREARS**

	AFDC Cases	Non-AFDC Cases
Any Evidence of Employment	64%	71 %
Both wage records and the case <b>file</b> contain evidence of employment	29 %	30 %
Wage <b>records</b> contain <b>earnings</b> , but case <b>file</b> does not contain evidence of employment	16 %	16 %
Case <b>file</b> contains evidence of employment, but wage records do not contain earnings	29%	25%
Case File Information Indicates Not Working	10 %	9 %
No Information on <b>Employment</b>	26%	21 %
Number of Cases	441	673

SOURCE: Weighted tabulations from State Employment Security Agency wage records, **MPR** case records abstractions of 1,906 active **IV-D cases** with orders, abstracted from February to November 1999.

NOTE: An "immediate withholding case" is **defined** as a case in a jurisdiction in which **immediate** withholding was required as of the date of the case's current support order. **All** other cases are defined as "non-immediate withholding cases."

We consider the case **file** to indicate that the **obligor** was employed if either the name of the employer was in the **file** and dated within the past 24 months or if the case had no **arrears** (for which employer information was not coded), unless there was **specific** information in the **file** that the obliger was no **longer** employed at the **abstraction date**. **Still**, In some cases, the **obligor** may have left the job by the time withholding was triggered.

We consider the wage records to indicate the **obligor** was employed in cases where earnings for the obliigor were found recorded in state employment security **records** in at least one of the two quarters before the quarter in which the abstraction occurred. It is possible **this** information was not yet **available** at the abstraction **date**.

In assessing the implications of the wage records data, one should note that, because the wage records database usually posts earnings data **from** three to six months after the quarter in which the earnings occur, some of these earnings may have been posted after we abstracted the files. However, they reflect employment during the six months before the quarter of the abstraction, which could potentially have been **ascertained** by the IV-D agency from sources other than the wage records database itself, such as direct contact with the obligor. Thus, most of the 16 percent of cases with wage records data but no record of employment in the files are likely to be cases in which the IV-D agency missed Ending out about withholdable income promptly, and thus delayed withholding attempts.<sup>16</sup>

## 2. The Incidence of Successful Withholding

After identifying an obligor's employer, the next step in the withholding process is to attempt the withholding. **Abstractors** coded 3 withholding attempt as having been made if the file included 3 withholding order to the employer or a request to the court for 3 withholding order. Additionally we examine whether withholding payments were ever received, and whether the withholding continued up to the date of the abstraction.

Table III.10 considers these steps in the withholding process for non-immediate case3 with arrears, conditional on the extent of employment information. For those cases with strong indicators of employment (both an employer in the file and earnings in the wage records), withholding was attempted for 71 percent of AFDC cases and 81 percent of non-AFDC cases in the year prior to the abstraction. For most cases in which withholding had been attempted, withholding was in place at some point during the year. However, considerably fewer of these case3 had withholding still occurring at the abstraction date. Withholding was in place **at** the time of the abstraction for 45 percent of AFDC cases and 63 percent of non-AFDC cases.

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<sup>16</sup>**Some** withholding attempts occurred for cases in this category (see below), indicating either that the IV-D agency was aware of an employer but the files contained incomplete information, or **that** information in the files **more recent** than the wage records data indicated that after the withholding was attempted (and sometimes implemented) the obligor had lost the job.

TABLE III.10

WITHHOLDING OUTCOMES FOR **NON-IMMEDIATE** WITHHOLDING CASES WITH REQUIRED ARREARS,  
BY EXTENT OF EMPLOYMENT INFORMATION

	AFDC Cases	Non-AFDC Cases
<b>Cases</b> for Which Both the Wage Records and the Case File Indicate the Obligor Was Employed		
Cases for which withholding was attempted or in place in past year	71 %	81 %
Cases with withholding in past year	60	75
Cases with current withholding	45	63
Number of <b>Cases</b>	128	206
Cases with No Earnings in the Wage Records <b>for</b> Which the Case Files Indicate the Obligor Was Employed		
Cases for which withholding was attempted or in <b>place</b> in past Year	56 %	64 %
Cases with withholding in past year	52	61
Cases with current withholding	38	52
Number of Cases	87	167
<b>Cases</b> with Earnings in the Wage Records but No Indication in the Case <b>File</b> that the Obligor Was Employed		
<b>Cases</b> for which withholding was attempted or in <b>place</b> in past year	33 %	26 %
<b>Cases</b> with withholding in past year	30	21
Cases with current withholding	11	8
Number of Cases	69	103
Cases for Which Neither the Wage Records Nor the Case <b>File</b> Indicate the Obligor Was Employed		
Cases for which withholding was attempted or in place in past year	10 %	11 %
Cases with withholding in past year	5	7
<b>Cases</b> with current withholding	1	2
Number of Cases	157	1 %
Ail <b>Cases</b>		
<b>Cases</b> with withholding attempted or in <b>place</b> in past year	41 %	48 %
<b>Cases</b> with withholding in past year	34	44
Cases with current withholding	22	34
Number of <b>Cases</b>	441	673



TABLE 111.10 (continued)

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SOURCE: Weighted tabulations from MPR case records abstracts of 1,906 active IV-D **cases** with orders, **abstracted** from February to November **1990**.

NOTES: An "immediate withholding case" is **defined** as a case in a jurisdiction in which immediate withholding was **required** as of the date of the case's current support order. **All** other **cases** are **defined** as "**non-immediate** withholding cases."

We consider the case file to indicate that the obligor was employed if either the name of the employer was in the **file** and dated within the past **24** months or if the case had no **arrears** (for which employer information was not coded), **unless** there was specific **information** in the **file** that the obligor was no longer employed at the abstraction date. **Still**, in some cases, the **obligor** may have left the job by the time **withholding** was triggered.

We consider the wage records to indicate the **obligor** was employed in cases **where earnings** for the obligor were found recorded in state employment security **records** in at least one of the two quarters before the quarter in which the abstraction occurred. It is Possible this information was not yet available at the abstraction date.

**Percentages** given are **percentages** of **non-missing** data.

For cases with employer information in the files but no earnings in the wage records, withholding attempts were somewhat less common, but still occurred in 56 percent of AFDC cases and 64 percent of non-AFDC cases. The lower incidence of attempts may reflect the fact that such employment information was more likely to be dated, or may reflect self-employment by the obligor.

As discussed in the last section, cases with earnings in wage records but no employer information in the files are likely to reflect instances in which the IV-D agency had failed to learn about attachable income by the date of the abstraction. In accordance with this hypothesis, withholding was attempted in only 33 percent of AFDC cases and 26 percent of non-AFDC cases in this category.

Obligor in cases with no employment information from either source are likely to have been unemployed or to have earnings that would be difficult to reach. Some, however, may have been reachable with additional IV-D agency efforts—for example, they may be employed in another state. Very few withholding attempts occurred for this group. Consistent with the idea that many persons with no employment information may be unemployed, all such cases with current withholding had withholding from non-wage income sources, typically unemployment compensation payments.

Among cases subject to immediate withholding (Table III.11), the incidence of withholding is higher than among non-immediate withholding cases at all levels of employment information. Withholding is also more likely to have continued to the date of the abstraction among immediate withholding cases.

Another key issue in any assessment of the effectiveness of withholding is the promptness with which withholding is instituted after the arrearage trigger. We cannot determine this characteristic precisely from our data, because our data have arrearage levels only for the year prior to the abstraction. However, we can approximate the number of months between the trigger and the withholding attempt by examining the level of arrears at the time that the case received the **first** withholding payment.<sup>17</sup> Four percent had no arrears and 24 percent of cases had less than three

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<sup>17</sup>If the case had a previous spell of withholding, the number of months of arrears may not correspond to the number of months since the end of the previous spell.

TABLE III.11  
WITHHOLDING OUTCOMES FOR **IMMEDIATE** WITHHOLDING **CASES**,  
BY EXTENT OF **EMPLOYMENT** INFORMATION

	AFDC Cases	Non-AFDC Cases
Cases for Which Both the Wage Records and the Case File Indicate the Obligor Was Employed		
Cases for which withholding was attempted or in place in past year	88%	85 %
Cases with withholding in past year	77	81
Cases with current <b>withholding</b>	72	70
Number of Cases	46	63
Cases with No Earnings in the Wage Records for Which the Case Files Indicate the <b>Obligor</b> Was Employed		
Cases for which <b>withholding</b> was attempted or In <b>place</b> in past year	57 %	66%
Cases with withholding in past year	54	61
Cases with current withholding	40	<b>55</b>
Number of Cases	12	27
Cases with Earnings in the Wage Records but No Indication in the Case File that the <b>Obligor</b> Was Employed		
Cases for which withholding was attempted or in <b>place</b> in past year	41%	70 %
Cases with withholding in past year	29	56
Cases with current withholding	3	15
Number of Cases	15	17
Cases for Which Neither the Wage Records Nor the Case <b>File</b> Indicate the Obligor Was Employed		
Cases for which withholding was attempted or in place in past year	22%	11 %
Cases with withholding in past year	0	0
Cases with current withholding	0	0
Number of <b>Cases</b>	<b>20</b>	17
<b>All Cases</b>		
Cases with withholding attempted or In <b>place</b> In past year	60%	69 %
Cases with withholding in past year	51	64
Cases with current withholding	40	<b>50</b>
Number of <b>Cases</b>	92	125

TABLE III.11 (continued)

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SOURCE: Weighted tabulations **from MPR** case records **abstracts** of 1,906 active **IV-D cases** with **orders, abstracted from** February to November 1990.

NOTES: An “immediate **withholding case**” is defined as a case in a jurisdiction in **which immediate withholding was** required as of the date of the **case's** current support order. **All other cases are** defined **as** “non-immediate **withholding** cases.”

We consider the case file to indicate **that the obligor** was employed if either the name **of the employer was** in the file and dated within the past 24 **months** or if the case had **no arrears** (for **which** employer information was not coded), unless there **was specific** information in the file **that the** obligor was no longer employed at the abstraction date. Still, in some cases, the **obligor** may have left the job by the time **withholding** was triggered.

We consider the wage records to indicate the **obligor** was employed in cases where earnings for the **obligor** were found recorded in state employment security records in at least one of the two quarters before the quarter in which the abstraction occurred. It is possible this information was not yet available at the abstraction date.

Percentages given are percentagea of **non-missing** data.

months of arrears at the time that withholding was initiated, indicating that withholding was initiated promptly (Table III.12). However, 30 percent of cases had over 24 months of arrears at the time that withholding was initiated, indicating substantial delays in withholding--either because the obligor was unemployed, employment information was not originally available, or the processing of withholding was **delayed**.<sup>18</sup>

### 3. The Characteristics of Withholding

The federal regulations specify that the amount of withholding equal the amount of the support order, any fee, and an additional amount towards arrears, except for the small number of cases to which the Consumer Credit Protection Act (CCPA) applies. The average amount of wages withheld in non-immediate withholding cases with current withholding at the time of abstraction is \$172 per month for AFDC cases and \$238 per month for **non-AFDC** cases (Table III.13). In 71 percent of the AFDC cases with withholding and 48 percent of the **non-AFDC** cases with withholding, the amount being withheld is less than \$200 per month.

It is also of interest to examine the frequency with which withholding amounts are set in excess of the current support amount, in order to reduce arrears. There are arrears in at least 76 percent of the AFDC cases with withholding and 73 percent of the **non-AFDC cases**.<sup>19</sup> However, only approximately 42 percent of the AFDC cases and 38 percent of the non-AFDC cases include withholding for arrears. Reasons for this discrepancy could not be determined from the case data.

In some instances, the case **abstractors** had difficulty in identifying withholding against arrears, because the amount to be withheld was not clearly indicated in the files, and it is thus possible that the entries in Table III.13 somewhat understate the extent to which withholding amounts exceed current order amounts. However, even after this factor is taken **into** account, the data strongly

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<sup>18</sup>In some cases, the arrears may date from before the case entered the IV-D system.

<sup>19</sup>See Appendix Table C.7 for more information on the levels of arrears for cases with and without current withholding, including a breakdown by immediate withholding status.

TABLE III.12

**ARREARS AT THE TIME THAT WITHHOLDING WAS INITIATED**  
 (Cases with Withholding Starting During the Past Year)

Number of Months in Arrears at the Time of First Withholdiig Payment	AFDC Cases	Non-AFDC Cases	Total Cases
None	4%	4%	4%
1-3 months	22	25	24
4-6 months	18	11	14
7-9 months	9	4	6
10-12 months	3	6	5
13-24 months	15	20	18
More than 24 months	30	29	30
Number of Cases	87	129	216

SOURCE: Weighted tabulation<sup>8</sup> from MPR case records abstracts of 1,906 active IV-D cases with orders, abstracted from February to November 1990.

TABLE III.13

**THE CHARACTERISTICS OF WAGE WITHHOLDING FOR NON-IMMEDIATE WAGE WITHHOLDING  
CASES WITH CURRENT WITHHOLDING**

	AFDC Cases	Non-AFDC Cases
Average Amount of Wages Withheld per Month	<b>\$172</b>	<b>\$238</b>
Wages Withheld per Month		
<b>\$1-\$200</b>	71 %	<b>48 %</b>
<b>\$201-\$400</b>	26	39
<b>\$401+</b>	2	13
Missing/not determined	<b>1</b>	<b>1</b>
Median	<b>\$155</b>	<b>\$215</b>
Is the Case in Arrears?		
Yea	76 %	73 %
No	22	24
<b>Missing</b>	3	4
Withholding as a Percent of the Support Order Amount		
Leas than 96%	6 %	6 %
Approximately 100% <sup>a</sup>	51	<b>55</b>
Greater than 104% <sup>b</sup>	42	<b>38</b>
Missing/not determined	1	2
Withholding as a Percent of the Obligor's SESA Earnings <sup>c</sup>		
<b>Less</b> than 10%	27 %	25 %
11 to 20%	30	24
21 to 30%	9	10
More than 30%	19	18
<b>Missing/zero</b> earnings	16	24
Withholding as a Percent of the Obligor's SESA Earnings: Medians for Obligors with:		
Any <b>nonzero</b> earnings	15 %	15 %
<b>\$1-\$5,000</b>	50	76
<b>\$5,001-\$10,000</b>	<b>28</b>	23
<b>\$10,001-\$20,000</b>	12	13
Over \$20,000	8	10
<b>Number of</b> Gases	157	3%

SOURCE: Weighted tabulations from MPR case records abstracts of 1,906 active IV-D cases with orders, abstracted from February to November 1990.

NOTE: An "immediate withholding case" is identified as a case in a jurisdiction in which immediate withholding was required as of the date of the cases current support order. All other cases are defined as "non-immediate withholding cases."

<sup>a</sup>We use an interval around 100% to allow for minor discrepancies that arise in our data because the payment times specified in support orders and employer pay periods do not always match, and because cost-of-living adjustments are sometimes applied to orders.

<sup>b</sup>Withholding in excess of the support order amount is withholdiig to pay off arrears.

<sup>c</sup>Monthly earnings were calculated from four quarters of SESA wage records data. These data tend to understate total earnings.

suggest that, in a substantial number of withholding cases with arrears, withholding amounts are not being set high enough to reduce the arrears.

For 27 percent of AFDC cases and 25 percent of non-AFDC cases, the SESA earnings data suggest that less than 10 percent of obligor income is being withheld. Among both AFDC cases and non-AFDC cases only 28 percent were found to have withholding in excess of 20 percent of income. Even this figure may overstate the average percentage of wage income being withheld because the SESA wage records do not contain information on all wages and therefore understate total wages for some obligors.<sup>20</sup>

Cases that are subject to immediate withholding and in which wage income is being withheld exhibit characteristics of withholding similar to the non-immediate withholding cases (Table III.14). Such cases also tended to have arrears, most likely because of periods of unemployment or breaks in withholding between jobs, or because arrears had accrued before the most recent order required immediate withholding. As with non-immediate withholding cases, the percentage of cases with withholding in excess of the current support amount is substantially lower than the percentage of cases with arrears.

Income is withheld from non-wage income sources in only a small number of cases (less than 5 percent).<sup>21</sup> In almost all of the relatively few spells of non-wage withholding found in the case records, the income was being withheld from Unemployment Compensation.

#### 4. Reasons That Withholding Is Not Attempted or Is Interrupted

Data from case records on the reasons that withholding was not attempted for cases with arrears, the reasons that withholding was not initiated when attempted, and the reasons that withholding stopped suggest that obligors who accumulate arrears on their child support payments frequently do

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<sup>20</sup>The wage income in the wage-related tabulations shown in Table III.13 was estimated as total earnings over the four available quarters of wage records.



TABLE III.14

**THE CHARACTERISTICS OF WAGE WITHHOLDING FOR CASES WITH CURRENT WITHHOLDING**  
(Immediate Wage Withholding **Cases**)

	<b>AFDC Cases</b>	<b>Non-AFDC Cases</b>
Average Amount of Wages Withheld per Month	\$219	<b>\$302</b>
Wages Withheld per Month		
<b>\$1-\$200</b>	64%	32 %
<b>\$201-\$400</b>	27	<b>40</b>
<b>\$401+</b>	6	<b>25</b>
Missing/not determined	4	4
Median	\$174	<b>\$250</b>
Is the Case in Arrears?		
Yes	84%	61 %
No	10	35
Missing	7	4
Withholding as a Percent of the Support Order Amount		
Less than <b>96%</b>	<b>15 %</b>	8 %
Approximately <b>100%<sup>a</sup></b>	46	57
Greater than <b>104%<sup>b</sup></b>	29	27
Missing/not determined	9	8
Withholding as a Percent of the <b>Obligor's Earnings<sup>c</sup></b>		
Less than 10%	28%	29%
11 to 29%	36	31
21 to 30%	14	10
More than 30%	7	14
Missing/not determined	16	24
Withholding as a Percent of <b>Obligor's</b> SESA Earnings: Medians for <b>Obligors</b> with:		
Any <b>nonzero</b> earnings	15 %	16 %
<b>\$1-\$5,000</b>	129	<b>241</b>
<b>\$5,001-\$10,000</b>	21	31
<b>\$10,001-\$20,000</b>	13	18
Over <b>\$20,000</b>	10	14
Number of <b>Cases</b>	33	58

SOURCE: Weighted tabulations from MPR case records abstracts of 1,996 active IV-D **cases** with orders, abstracted from February to November 1990.

NOTES: An "immediate withholding **case**" is identified as a case in a jurisdiction in which immediate withholding was required as of the date of the **cases** current support order. All other cases are **defined** as "non-immediate withholding **cases**."

<sup>a</sup>We use an interval around 100% to **allow** for **minor** diipancies that arise in our data because the payment times specified in **support** orders and employer pay periods do not always match, and because cost-of-living adjustments are sometimes applied to **orders**.

<sup>b</sup>Withholding in excess of the support order amount is withholding to pay off **arrears**.

<sup>c</sup>Monthly earnings were calculated from four quarters of **SESA** wage records data. **These** data tend to understate total **earnings**.

so because they are working irregularly or experiencing unemployment, thus making withholding difficult or impossible. **These** same irregular employment histories may also contribute to breaks in withholding after it is started. The many steps involved in the process for implementing withholding may also play a role.

Consistent with data presented earlier, the following are the three most commonly cited reasons that withholding is not attempted when required arrears have accrued: the obligor is not employed, the obligor's employer or employment status is unknown, and the obligor could not be located (Table III.15). It is also interesting to note that a small number of obligors avoided withholding by paying off their arrears or by making regular (if not full) payments on their support orders. Although federal regulations require that withholding be imposed in both of these situations, it is plausible that overburdened staff who must set some priorities may have chosen not to pursue these cases. In about 5 percent of cases, withholding was not attempted because the obligor was self-employed, which is consistent with staff reports, that withholding is rarely attempted in self-employed cases. For **one-**third of the cases, the case file did not indicate the reason that withholding was not **attempted**.<sup>22</sup>

In almost half of the cases in which withholding had been attempted but not initiated, the case files indicated that the obligor had left the job before withholding was initiated (Table III.16). In 10 percent of AFDC cases and 24 percent of non-AFDC cases, the request was still pending with the employer at the time of our abstraction, and withholding was likely to start soon. In a few cases, the employment information turned out to be incorrect or the employer did not cooperate. The reason withholding had not started was not determined for 29 percent of AFDC cases and 7 percent of **non-AFDC cases**.

As shown in Table III.17, the case files indicated that withholding spells often ended because **a** job ended--in 40 percent of **AFDC** cases and 55 percent of non-AFDC cases. In most other cases, the reason for the termination of withholding could not be determined from the case files.

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<sup>22</sup>Appendix Table C.9 presents the same data for immediate withholding cases. There are **very** few of these cases, and most do not have data available on why withholding was not attempted.

TABLE III.15

REASONS THAT WITHHOLDING WAS NOT ATTEMPTED  
DURING THE 12 MONTHS PRIOR TO DATA COLLECTION  
FOR CASES WITH MORE THAN ONE MONTH OF ARREARS  
(Non-Immediate Cases With **Arrearages**)

Reason That Withholding Was Not Attempted	AFDC cases	Non-AFDC Cases
Obligor Not Found	<b>28 %</b>	<b>25 %</b>
Obligor Employer or Work Status Is Unknown	35	24
Obligor Not Employed	20	21
<b>Arrearage</b> Paid Before Withholding Was Attempted	2	6
No Unemployment Insurance	4	3
Obligor Makes Regular Payments	4	6
Obligor Self-Employed	5	<b>5</b>
<b>Obligor</b> Works Odd Jobs	3	2
Obligor in Jail	2	1
Other	4	7
Reason Not Determined	26	31
Number of Cases	302	412

SOURCE: Weighted tabulations from MPR case records abstracts of **1,906** active IV-D cases with orders, abstracted from February to November 1990.

NOTES: More than one reason could be indicated. Percentages may thus sum to over 100 percent.

An "immediate withholding case" is defined as a case in a jurisdiction in which immediate withholding was required as of the date of the case's current support order. All other cases are defined as "non-immediate withholding cases."

TABLE III.16

REASONS THAT WITHHOLDING WAS NOT INITIATED  
IN CASES FOR WHICH IT WAS ATTEMPTED

Reason That Withholding Was Not Initiated	AFDC cases	Non-AFDC Cases
<b>Obligor Left Job</b>	45 %	49 %
Employer Did Not Cooperate	1	8
Employment Information Was Incorrect	9	6
Request Is Pending at Employer	10	24
No Unemployment Insurance	5	3
Obligor Not Found	2	1
Request Is Pending at UI	2	0
Obligor Has Non-Wage Income <b>Only</b>	0	4
CCPA Limits	1	5
Obligor in Jail	2	3
Order <b>Contested/Cancelled</b>	0	1
Other	0	1
Reason Not Determined	29	7
Number of Cases	50	59

SOURCE: Case records data on cases for which withholding was attempted unsuccessfully during the 12 months prior to data collection (based on weighted tabulations from MPR **case** records abstracts of 1,906 active IV-D cases with orders, abstracted from February to November 1990).

NOTE: More than one reason could be indicated. Percentages may thus sum to over 100 percent.

TABLE III.17  
REASONS THAT WITHHOLDING WAS TERMINATED

Reason for Termination	AFDC cases	Non-AFDC Cases
Obligor Left Job	40 %	55 %
Unemployment Benefits Stopped/Exhausted	2	11
Arrearage Paid	0	0
Court Allowed Direct Payments	1	2
Joint Custody	1	1
Non-Wage Income Only	0	2
<b>Obligor</b> in Jail	10	0
Processing Error	2	0
Child Emancipated	1	0
Case Contested	0	1
Other	0	1
Reason Not Determined/Missing	42	25
Number of Cases	49	70

SOURCE: Case-records data for cases for which withholding was in place at some point during the 12 months prior to the data **collection** but not at the time of data collection (based on weighted tabulations from **MPR** case records abstracts of 1,906 active IV-D cases with orders, abstracted **from** February to November 1990).

The cooperation of employers with withholding procedures is not seen by staff as a major barrier to implementing withholding (Table **III.18**). All offices estimated that they experienced problems with employers less than 20 percent of the time, and most reported that problems occurred less than 10 percent of the time. The majority of offices indicated that employers report terminations of employment at least 50 percent of the time.

5. The Duration of Withholding **Spells** and Periods between **Spells**

The duration of withholding spells cannot be tabulated with accuracy directly from the raw case records data, because many spells were ongoing at the time of data collection, and their length would be understated by their length to date. To avoid such understatements, we used a statistical technique called the “product-limit” estimator, which properly uses data from ongoing, or “censored, spells in estimating the distribution of spell durations (Kalbfleish and Prentice, 1980). This estimator requires no special assumptions about the functional form of the duration distribution. However, while the presence of censored spells does not bias the estimates, it reduces their precision, especially in the upper tail of the distribution, where few completed spells are typically observed.

Data on the first two withholding spells starting after January 1985 were collected for all cases.<sup>23</sup> Table III.19 presents estimates of the distribution of the duration of the first and second spells of withholding, and the intervening time period.” The median length of the first withholding spell is 17 **months--11** months for AFDC cases and 25 months for **non-AFDC** cases. Most **spells** are either quite short or fairly long: 40 percent of spells for **AFDC** cases and **28** percent of spells for non-AFDC cases end within six months, while 37 percent of AFDC spells and **50** percent of **non-AFDC** spells last over two years.

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<sup>23</sup>We defined spells as ending when a month with no payment **occurred**. If we had ignored breaks of one or two months, estimated spell lengths would of course be longer.

<sup>24</sup>The table includes both immediate withholding and non-immediate withholding cases. When examined separately, the sample sizes are small, and the distributions for the two groups are similar.

TABLE III.18  
EMPLOYERS COOPERATION WITH WITHHOLDING

	Number of Sample Offices	Percent of Sample Offices
Reported Rates of Failure by Employers to Withhold Income in a Timely Manner		
None	1	3 %
Less than 1%	3	10
<b>1-10%</b>	18	62
11-20%	7	24
More than 20%	0	0
How Frequently Do Employers Notify Agency When Employees Terminate Employment?		
10% or less	3	10 %
11-20%	1	3
21-50%	7	24
51-80%	14	48
More than 80%	2	7
Missing/not determined	2	7
Number of Offices Responding	29	

SOURCE: MPR surveys of local IV-D office **staff**, completed largely in fall and winter 1990-1991.

NOTE: Staff were asked to respond concerning withholding procedures in use in 1989, before the implementation of the Family Support Act.

TABLE HI.19  
DURATION OF WITHHOLDING **SPELLS** AND **THE** PERIOD BETWEEN  
THE **FIRST** AND SECOND **WITHHOLDING** SPELL

	AFDC Cases	Non-AFDC Cases	All Cases
Estimated Duration of First Withholding Spell After January 1985 <sup>a</sup>			
1-6 months	40 %	28 %	32 %
7-12 months	15	12	13
13-24 months	8	10	9
More than 24 months	37	50	46
Median	11 months	25 months	17 months
(Number with first spell)	(322)	(592)	(913)
Percent with a First Spell That Was Still Ongoing at the Time of Data Collection	38 %	53 %	48 %
Estimated Time between First and Second Spells After January 1985 <sup>a</sup>			
1-6 months	37 %	44 %	41 %
7-12 months	16	16	16
13-24 months	7	11	9
More than 24 months	41	29	34
Median	10 months	8 months	9 months
(Number with first spell ending)	(207)	(290)	(497)
Percent With Period After First Spell Still Ongoing at the Time of Data Collection	43 %	35 %	38 %
Estimated Duration of Second Withholding Spell After January 1985 <sup>a</sup>			
1-6 months	52 %	55 %	54 %
7-12 months	19	15	16
13-24 months	14	12	12
More than 24 months	16	19	18
Median	6 months	5 months	6 months
(Number with second spell)	(112)	(185)	(297)
Percent with a Second <b>Spell That Was</b> Still Ongoing at the Time of Data Collection	39 %	28 %	28 %

SOURCE: Weighted tabulations from **MPR** case records abstracts of 1,906 active **IV-D cases** with **orders**, abstracted from **February** to November 1990.

<sup>a</sup>Estimates were derived using the product-limit estimator, a statistical technique that accounts for ongoing spells. No data were available on spells that began before **January 1985**.



The durations of observed second spells are shorter than the durations of first spells--a median of 6 months. If the data set contained a second spell, an obligor must have had a first spell that was relatively short. This suggests that the reason observed second **spells** are shorter is that an **obligor** whose initial spell ended relatively quickly may be more likely to have a second spell of short duration.

The time period between the first and second withholding spell lasts a median of 10 months for AFDC cases and 8 months for non-AFDC cases. This prolonged period may be due to the fact that the obligor is experiencing a period of unemployment, and/or the fact that it takes some time after the IV-D agency learns that the obligor has left the job to find the new employer and then to transfer the withholding order to the new employer.

6. The Effects of Differences in Withholding Procedures and Case Characteristics on the Success of Withholding

Despite the small number of **offices** in the sample, and the limited variation in procedures among offices, our data provide some preliminary evidence on the factors that promote withholding--what procedures are most promising, in what contexts, and for what types of cases.

We examined the effect of the following procedures on withholding through simple tabulations: subjecting cases to immediate **withholding** laws; automated tracking of when the triggering arrearage is reached; having payments tracked by the same office that implements withholding; and automated monitoring of withholding payments. In determining whether any of these procedures increased the extent to which withholding was **successfully** implemented we used four measures of success: (1) the percent of all cases with withholding in place at the time of abstraction, (2) the percent of all cases that at some time in the past year had arrears of greater than one month, (3) the percent of cases that had arrears of greater than one month during the past year for which withholding was attempted or in effect during the past year, and (4) the percent of cases that had arrears of greater than one month during the past year for which income is currently being withheld. We considered increases

in the number of cases with withholding and reductions in the levels of arrears to indicate greater success in implementing withholding.

The results suggest that all four procedures are associated with greater success in implementing withholding for AFDC cases (Table III.20). When AFDC cases are subject to immediate withholding we find that a higher fraction is likely to have withholding (39 percent compared with 30 percent), that a greater percentage of cases with triggering arrears have had withholding attempted during the last year (59 percent compared with 48 percent), and that a greater percentage of cases with triggering arrears are currently having income withheld (40 percent compared with 27 percent). However, the fraction of **AFDC** cases with triggering arrears does not appear to be associated with immediate withholding policies (87 percent of both those cases subject to immediate withholding and other cases had arrears of at least one month in the last year). The results are similar for automated tracking of payments, having payments tracked by the same agency that initiates withholding, and automated withholding procedures.

The four procedures also seem to improve the implementation of withholding for non-AFDC cases, although the evidence is slightly weaker. In particular, the four procedures are not all associated with an greater fraction of cases with triggering arrears having current withholding. **Non-AFDC** cases with triggering arrears that are subject to immediate withholding are less likely to have current withholding (36 percent compared with 39 percent) as are cases in offices with automated monitoring of withholding payments (again, 36 percent compared with 39 percent). However, these differences are small and it is quite possible that there is, in fact, no difference between these two groups of **non-AFDC** cases.

The correlations evident in Table III.20 reflect not only the effects of the four procedures examined, but also the effects of other case and office characteristics. In order to attempt to isolate the effect of immediate withholding laws from the effects of other factors that influence the successful implementation of withholding, we used regression analysis. Specifically, we examined the

TABLE III.20

THE SUCCESS OF WITHHOLDING BY THE CHARACTERISTICS OF THE WITHHOLDING PROCESS  
(Cases With Orders Since January 1, 1987)

Indicators of Success	All Cases	Immediate Withholding Case		Fully Automated Tracking of Whether Cases Need Withholding?		Payments Tracked by Same Agency that Initiates Withholding		Automated Monitoring of Withholding Payments	
		Yes	No	Yes	No	Yes	No	Yes	No
AFDC Cases									
Percentage of All AFDC Cases with Withholding	32 %	39 %	30 %	35 %	30 %	33 %	29 %	38 %	27 %
Percentage with Arrears of Greater Than 1 Month in Past Year	87	87	87	84	89	87	88	85	89
Percentage with Arrears Greater Than 1 Month in Past Year for Which Withholding Was Attempted or In Effect During the Year	50	59	48	64	44	57	41	61	43
Perantage with Arrears of Greater Than 1 Month in Past Year With Current Withholding	38	40	27	33	28	38	29	35	26
Number of Cases	381	87	294	116	257	204	169	150	223
Non-AFDC Cases									
Perantage of All Non-AFDC Cases with Withholding	46%	49 %	45 %	52 %	43 %	50 %	45 %	48%	45 %
Perantage with Arrears of Greater Than 1 Month In Past Year	72	68	74	62	77	70	75	69	75
Perantage with Arrears of Greater Than 1 Month in Past Year for Which Withholding Was Attempted or In Effect During the Year	56	60	55	63	53	57	54	58	55
Perantage with Arrears of Greater Than 1 Month in Past Year with Current Withholding	38	36	39	38	40	44	39	36	39
Number of Cases	477	111	366	147	322	254	216	187	283

SOURCE: Weighted tabulations from MPR case records abstracts of 1,906 active IV-D cases with orders, abstracted from February to November 1990.

NOTE: All percentages are percentages of nonmissing data.

effect of immediate withholding policies on the prevalence of withholding after controlling for case characteristics and for state.” Three measures of withholding were examined: (1) whether withholding was either attempted or in place in the past year; (2) whether withholding had **occurred** in the past year, and (3) whether withholding was occurring at the time of the abstraction. As in the tabulations, a case is considered subject to immediate withholding if the case is from a jurisdiction that required immediate withholding by law at the time of the most recent order. However, it is important to keep in mind that many cases in non-immediate withholding jurisdictions have immediate withholding in their individual orders. Thus, our estimates of the effects of immediate withholding understate the effects when compared with a situation with no immediate withholding. These estimates can be interpreted as indicating the effects of having an immediate withholding **law** that applies to most cases, as compared with using immediate withholding in selected cases only. Because we were comparing immediate withholding cases with non-immediate withholding cases, we included all cases in the regressions, not just those with arrears. The case characteristics controlled for in the regressions included demographic factors, case status measures, and measures of the obligor’s ability to pay child support (see Appendix Table **C.10** for a complete list of variables and variable means).

The regression results suggest that immediate withholding policies significantly increase successful withholding (Table II.I.21). This is shown by the estimated coefficient of **.0755** on the immediate withholding variable in the first column of Table **III.21**. This estimated coefficient indicates that cases subject to immediate withholding had a 7.6 percentage point greater probability of having withholding at the time of the abstraction.

Among case characteristics, the only factors that significantly influence whether withholding occurs are the earnings of the obligor, AFDC status, and the age and modification status of the support order. The earnings of the obligor have a very significant positive **effect--obligors** whose

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<sup>25</sup>Ordinary least squares **regression** estimates are presented because they are easy to interpret. Very similar results were obtained using **probit** maximum likelihood estimation.

TABLE III.21

ESTIMATED COEFFICIENTS FROM REGRESSIONS **PREDICTING SELECTED  
WITHHOLDING OUTCOMES**(Standard Errors of **Coefficients Are** in Parentheses)

Independent Variables	Withholding at <b>Time</b> of Abstraction	Withholding During <b>Past Year</b>	Withholding or Attempt in Past Year
Immediate Withholding	.0755** (.0368)	.0809** (.0391)	.0891** (.0390)
Mother's Age	.00142 (.00252)	.000579 (.00266)	.000152 (.00268)
Father's Age	-.000758 (.00199)	-.00152 (.00211)	-.00270 (.00211)
Living with Neither Parent	-.0254 (.0625)	-.0696 (.0654)	-.112* (.0654)
Number of Children	.00631 (.0137)	.0107 (.0143)	.0149 (.0144)
Ever Married	-.00439 (.0255)	-.00475 (.0267)	.00194 (.0268)
Years Since Support Order	-.00903** (.00373)	-.0177*** (.00395)	-.0171*** (.00398)
Order Is Original	-.0803*** (.0235)	-.0604** (.0246)	-.0263 (.0248)
Interstate Case	-.0253 (.0353)	-.0266 (.0377)	-.0181 (.0379)
Obligor Earnings (in thousands)	.0154*** (.00118)	.0126*** (.00123)	.00874** . (.00124)
<b>Zero Earnings Indicator</b>	-.0742*** (.0275)	-.162*** (.0290)	-.226*** (.0292)
<b>AFDC Case</b>	-.0674** (.0267)	-.0817*** (.0282)	-.0857*** (.0282)
Former AFDC <b>Case</b>	.00460 (.0293)	.0137 (.0308)	-.00401 (.0308)
Intercept	.320*** (.081)	.492*** (.0850)	.607*** (.0854)
Number of Cases	1,821	1,759	1,818
<b>R<sup>2</sup></b>	.237	.238	.212
Mean of Outcome Measure	.366	.461	.511

NOTE? State indicator variables **were also included** in these equations. Equations **were** csthned **using ordinary** least squares regression. The samples include **all** cases with **nonmissing** data on the dependent variable. Sample means for **all** variables are **presented** in Appendi Table **C.10**. For **cases** with **missing** data on independent variables, the sample mean for the missiig variable was used.

\*Coefficients are statistically significant at the 10 percent level.

● \*Ceffkients are statistically significant at the 5 percent level.

\*\*\*Coefficients are statistically significant at the 1 percent level.

earnings are \$10,000 higher are 15 percentage points more likely to have withholding. A priori, the sign of the effect could not be predicted, since obligors whose earnings are higher are less likely to have arrears but more likely to have withholdable income. However, since almost all obligors in our sample have arrears, it appears that the effect of having more withholdable income strongly dominates the effect of having lower arrears. AFDC cases are less likely to have withholding, perhaps because the obligors in these cases are less likely to have withholdable income (even after controlling for earnings as measured by wage records). Cases with older orders and original (rather than modified) orders are less likely to have withholding in place, possibly because these cases tend to require more effort to locate the obligor and his employer, and possibly also because IV-D agencies have a tendency to write off cases as hopeless after a certain period of time.

#### D. THE IMPACT OF WITHHOLDING PROCEDURES ON COLLECTIONS

We also used regression analysis to investigate the extent to which immediate withholding is associated with higher child support collections, when other factors are held constant. As in previous sections, immediate withholding cases are defined as cases in jurisdictions with immediate withholding by law, with orders after the immediate withholding law went into effect. In the estimated regressions, immediate withholding has a statistically insignificant effect on collection outcomes.

Two measures of collections were used as dependent variables: (1) the ratio of the amount of child support paid in the past year to the amount owed in the past year (the “pay-to-owe ratio”), and (2) the ratio of months in which a payment was made during the past year to months in which a payment was owed (the “months paid to months owed” ratio). The pay-to-owe ratio may exceed 100 percent if obligors are paying off arrears--the mean for the full sample is approximately 62 percent. The months paid to months owed ratio ranges from 0 to **100** percent; the mean for the full sample is approximately 50 percent. The latter variable picks up effects on the regularity of payments as well as the amount.

The regression results show no statistically significant effect of immediate withholding on either collection measure (Table III.22).<sup>26</sup> The coefficient estimates indicate a positive effect, but the estimates are imprecise, and may reflect statistical sampling error. Using these coefficients, immediate withholding is estimated to increase the pay-to-owe ratio by approximately 5 percentage points, and to increase the months paid to months owed ratio by 4 percentage points. In both cases, these increases would represent about 8 percent of the sample mean. However, neither estimated effect is significantly different from zero.

The effects of case characteristics on collections are largely similar to their effects on withholding. **Obligors** whose earnings are higher pay a larger proportion of what they owe, and pay more regularly as well. Obligors in AFDC cases pay less and less regularly than do obligors in **non-AFDC** cases. Obligees whose orders are older or unmodified tend to receive less regular payments and a lower proportion of what is owed, although the effect of the age of the order on the **pay-to-owe** variable is not significant. Additional children reduce the pay-to-owe ratio but not the ratio of months paid to months owed. Other demographic factors tend to have small and insignificant effects.

The major previous study of immediate withholding (Garfinkel and Klawitter, 1990), using data from the evaluation of the Wisconsin Child Support Assurance System, estimated significant and somewhat larger immediate withholding impacts. Using the same dependent variables, but several different measures of immediate withholding, Garfinkel and Klawitter estimated that immediate withholding would increase collections by between 11 and 30 percent. Garfinkel and Klawitter's upper bound estimate (a 30 percent increase in collections) is based on a measure of whether immediate withholding was required for specific cases. Estimates based on this measure tend to overstate the impacts of immediate withholding, because immediate withholding is more **likely** to be

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<sup>26</sup>We used **ordinary** least squares to estimate the regressions, and the coefficient estimates may be interpreted as the change in the dependent variable caused by a unit change in the associated independent variable. Because the dependent variables have a limited range, ordinary least squares is not strictly appropriate. However, when we used a **tobit** maximum likelihood estimator to estimate these models, the results were very close to the least squares results. We present the least squares results because they are easier to interpret.

TABLE III.22

ESTIMATED COEFFICIENTS FROM REGRESSIONS **PREDICTING** COLLECTION OUTCOMES  
(Standard Errors of Coefficients Are in Parentheses)

Independent Variables	Collections/ Amount Due	Months Paid/ Months Due
Immediate Withholding	.0497 (.0470)	.0410 (.0299)
Mother's Age	.00373 (.00320)	.00444** (.00208)
Father's Age	.00400 (.00252)	.00137 (.00164)
Living with Neither Parent	-.0690 (.0822)	-.0716 (.0527)
Number of Children	-.0403** (.0174)	-.00441 (.0113)
Ever Married	-.0219 (.0323)	.00314 (.0209)
Years Since Support Order	-.00413 (.00476)	-.0158*** (.00310)
Order Is Original	-.0872*** (.0301)	-.0492** (.0194)
Interstate Case	.0518 (.0448)	-.00818 (.0293)
Obiigor Earnings (in thousands)	.0190*** (.00150)	.0159*** (.000972)
Zero Earnings Indicator	-.0803** (.0349)	-.0574* (.0226)
AFDC Case	-.123*** (.0338)	-.130*** (.0219)
Former AFDC Case	-.0458 (.0373)	-.0290 (.0241)
Intercept	.458*** (.103)	.314*** (.0669)
Number of Cases	1,800	1,841
R <sup>2</sup>	.218	.337
Mean of Outcome Measure	.618	.501

NOTE: State indicator variables were **also** included in these equations. Equations were estimated **using** ordinary least squares regression. The samples include ail cases with **nonmissing** data on the dependent variable. Sample means for **all** variables are presented in Appendix Table **C.10**. For cases with missing data on independent variables, the sample mean for the missing variable was used.

\*Coefficients are statistically **significant** at the 10 percent level.

\*\*Coefficients are **statistically significant** at the 5 percent level.

\*\*\*Coefficients are **statistically significant** at the 1 percent level.



ordered in cases likely to pay anyway. Garfinkel and Klawitter also present a lower bound estimate of an 11 percent increase in collections, which is based on comparisons of cases in offices that *usually* use immediate withholding to cases in offices that sometimes use immediate withholding. This **lower-bound** estimate is conceptually similar to our estimates. Our estimates indicate that collections increase by 8 percent under immediate withholding, a figure close to the 11 percent lower bound of the Garfinkel and Klawitter estimates.

In sum, our results suggest that immediate withholding may have a small positive effect on collections. However, these results are not statistically significant and should be seen as preliminary. One possible reason that the effects of immediate withholding on withholding implementation (see previous section) appear larger than the effects on **collections** is that, to some extent, immediate withholding is being instituted for obligors who would have paid anyway.

#### E. THE COSTS OF IMPLEMENTING WITHHOLDING

The basis for estimating the labor costs of initiating withholding are reports from the local offices about the average time that various staff devoted to effecting income withholding for contested and uncontested cases. We asked specifically about the time devoted by child support specialists, non-judicial hearing officers, IV-D staff attorneys, judicial masters or referees, and judges. We also allowed offices to list other types of staff who were regularly involved in initiating withholding. To identify the labor costs of initiating withholding, we asked the offices to report time only for the activities that occurred between the triggering of withholding and the time that the first withholding payment was received.

The local offices indicated that child support specialists typically devote one to two hours to initiating withholding (Table III.23). Uncontested cases require relatively little additional time beyond that of the child support specialist, with several offices reporting that no other staff were used. Not surprisingly, contested cases required time from legal personnel, typically IV-D staff attorneys. Overall, the contested cases involved more types of staff and over twice as much total staff time.

TABLE III.23

TYPE OF STAFF USED AND AVERAGE STAFF **TIME** REQUIRED **TO** IMPLEMENT WITHHOLDING  
BY TYPE OF STAFF

Type of staff used	Uncontested <b>Cases</b>		Contested Cases	
	Percent of Offices Using <b>Type of staff</b>	Average Hours to Implement*	Percent of <b>Offices</b> using <b>Type of Staff</b>	Average Hours to <b>Implement</b> <sup>a</sup>
Child Support Specialist	100%	1.2	97%	1.9
(Non-Judicial) Hearing Officer	0%		24%	0.7
IV-D Attorneys	<b>31%</b>	<b>0.3</b>	<b>79%</b>	<b>1.0</b>
(Judicial) <b>Masters</b> or Referees	14%	0.1	34%	0.6
Judges	24%	0.3	45%	0.7
Total Staff	100%	1.4	100%	3.1
Number of <b>Office</b> Responding	27			

SOURCE: **MPR surveys** of local **IV-D** office staff, completed largely in **fall** and winter **1990-1991**.

NOTE: Staff were asked to respond concerning withholding procedures in use in **1989**, before the implementation of the **Family Support Act**.

<sup>a</sup>**Hours** of staff time between the time that withholding is required on a case and the receipt of the first payment from the **employer**. Two offices **with** missing hours information were excluded from the **averages**.

The difference in time spent on contested versus uncontested cases is reflected in the estimated labor costs of initiating withholding, shown in Table **III.24**.<sup>27</sup> In general, the labor costs of initiating withholding were quite small in those cases in which the withholding is uncontested--about 95 percent of withholding cases, according to the staff survey. Only 2 of the 29 offices (7 percent) had estimated labor costs over \$50 for initiating withholding in uncontested cases. In comparison, when the case is contested (about 5 percent of cases), the costs can be much higher. Eighteen of the 29 offices (62 percent) incurred labor costs in excess of \$50 to initiate withholding in contested cases. The median **office** in the survey spends \$14 in staff time to initiate withholding for an uncontested case, and \$66 to initiate withholding in a contested case.

#### F. BARRIERS TO WITHHOLDING SUCCESS

Our earlier analysis of the implementation of withholding suggested that finding employment information is the biggest stumbling block in implementing withholding. The staff survey information is consistent with this (Table **III.25**). Staff at 13 of the 27 sites that responded about barriers noted that the difficulty of obtaining information about **obligors'** current employment is a major problem. Staff also frequently cited as problems **difficulties** in attaching obligor income in certain cases, especially self-employment or illegal or off-the-books employment. Eight sites mentioned problems with uncooperative employers. Another procedural problem frequently mentioned was the requirement to provide advance notice to the obligor. Interestingly, a lack of resources was rarely mentioned in response to an open-ended question about barriers (see Appendix Table C-11).

Somewhat fewer sites chose to respond when asked about suggestions for improvement. The two most common suggestions were immediate withholding and better access to employment information.

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<sup>27</sup>We estimated these costs by multiplying the estimates of **staff** time by the corresponding **labor** compensation rates and summing across the various types of staff used. The staff survey obtained salary levels for the different types of staff, and we increased these levels by 35 percent to reflect the costs of fringe benefits. This estimate of fringe benefit costs was obtained from the Bureau of Labor Statistics (1990; Table 4).

TABLE III.24  
ESTIMATED COSTS OF STAFF LABOR USED IN INITIATING WITHHOLDING ACTIONS

Amount	Number of Offices		Percent of offices	
	Uncontested Cases	Contested Cases	Uncontested Cases	Contested Cases
Less than <b>\$25</b>	19	4	70 %	15 %
<b>\$25-\$49</b>	6	6	22	22
350599	1	12	4	44
<b>\$100-\$200</b>	1	<b>5</b>	4	19
Average Costs			\$22	\$73
Median Costs			<b>\$14</b>	\$67
Number of Offices Responding	27			

SOURCE: MPR surveys of local IV-D **office staff**, completed **largely** In **fall** and winter 1990-1991.

NOTE: Costs include direct labor **costs** plus associated fringe **benefits**. Staff were asked to respond concerning withholding **procedures** in use in 1989, before the implementation of the **Family Support Act**. **Two** offices with **missing** hours information were excluded from the calculations.

TABLE III.25

STAFF PERCEPTIONS ABOUT BARRIERS TO WITHHOLDING AND THEIR  
SUGGESTIONS FOR IMPROVING THE EFFECTIVENESS OF WITHHOLDING

	Number of Sample Offices	Percent of Sample Offices
<b>Main Barriers to Withholding<sup>a</sup></b>		
Difficulty in obtaining employment information	13	<b>48 %</b>
Inability to attach self-employment income	9	33
Noncooperative employers	<b>8</b>	30
Requirement for providing advance notice to obligor	<b>5</b>	19
Unreported/illegal income	6	22
(Number of Offices Responding)	(27)	
<b>Suggestions for Improving Withholding</b>		
Immediate withholding	<b>5</b>	33 %
Better access to employment information	<b>5</b>	33
(Number of Offices Responding)	<b>(15)</b>	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

NOTE: Staff were asked to respond concerning withholding procedures in use in 1989, before the implementation of the Family Support Act. This **table includes only factors mentioned by staff in 5 or more offices**. See Appendix Tables C.11 and C.12 for complete information on views expressed by staff.

<sup>a</sup>**More** than one answer may be indicated. Percentages may thus sum to more than 100 percent.

Although few offices cited staff shortages as a major problem in implementing withholding, in response to a specific question on **staffing**, most estimated that the percentage of cases with withholding could be increased by increasing the level of staff (Table III.26). Only 10 percent of the offices believed they would not do any better. Twenty-four percent of the offices believed that cases with withholding could increase by 1 to **25** percent, while 59 percent believed that cases with withholding could increase by 26 to 50 percent. Two offices (6 percent) believed even larger increases would be possible.

Advocates for custodial parents felt that accessing obligor income was the most important barrier to successful withholding (see Appendix D). They particularly stressed the difficulty of applying withholding when the obligor is self-employed, works seasonally or under contract, or uses frequent job changes to avoid income withholding. Some advocates felt the IV-D system was slow in responding to these types of situations. A few mentioned problems with employers not remitting withholding collections promptly. However, most of the advocates to whom we talked were enthusiastic about the use of withholding as a tool to increase collections.

## G. SUMMARY AND POLICY RECOMMENDATIONS

There has been a dramatic increase since the implementation of the 1984 Amendments in the amounts of collections achieved through income withholding. In constant dollar terms, IV-D agency withholding collections per case rose by 91 percent for AFDC cases and by 73 percent for non-AFDC between **FY86** and FY89. Withholding collections made up 41 percent of all IV-D program collections in FY89. Although some collections through withholding substitute for collections that could otherwise be made through other means, income withholding is clearly a powerful and widely used tool for child support enforcement.

Our findings on the implementation and effects of the income withholding provisions of the 1984 Amendments can be summarized as follows:

TABLE III.26

ESTIMATED PERCENTAGE INCREASE IN THE NUMBER OF  
CASES WITH WITHHOLDING THAT COULD BE **ACHIEVED** WITH MORE STAFF

Percentage Increases	Number of Sample Offices	Percent of Sample Offices
0%	3	10 %
1-25%	7	24
26-50%	17	59
51-100%	1	3
More than 300%	1	3
Number of <b>Offices</b> Reporting	29	

SOURCE: MPR surveys of local IV-D office **staff**, completed largely in fall and winter 1990-1991.

NOTE: Staff were asked to respond concerning withholding procedures in use in 1989, before the implementation of the Family Support Act. Respondent was asked to "assume you have sufficient additional staff to maximize withholdings."

- The IV-D agency frequently fails to obtain information on the obligor's employment status. For example, in 42 percent of non-immediate AFDC cases, it cannot be determined from the case files whether the obligor is employed. In 16 percent of non-immediate AFDC cases, the **SESA** wage records indicate the obligor is employed but the file has no evidence of employment, suggesting the IV-D agency has missed finding out that the obligor is employed.
- The difficulty of obtaining current information on **obligors'** employers or employment status is a major barrier to implementing withholding. Continuing the example, for **non-immediate AFDC** cases with strong evidence that the obligor has been employed recently (evidence in both the **SESA** wage records and the case files), we find withholding was attempted in 71 percent of cases with arrears. When there was evidence of employment in the wage records but not the case files, which often implies employment not known to the IV-D agency, withholding was attempted in only 33 percent of cases with arrears. When there was no evidence of employment from either source, withholding was attempted in only 10 percent of cases with arrears.
- Substantial arrearages often accrue before withholding begins.
- The amount withheld in cases with arrears frequently equals the amount of current support only, and does not include an amount to be used to reduce arrears.
- A substantial number of offices use procedures which may prolong the time it takes to implement withholding and reduce its incidence. Such procedures include:
  - Manual rather than automated procedures for tracking arrears and withholding payments and issuing notices
  - Having payments and arrears tracked by an agency that differs from the agency that implements the withholding
  - Involving the court or another agency outside the IV-D agency in issuing the withholding order
  - Requiring documentation for interstate withholding requests beyond the federal requirements
- Because some obligors move in and out of jobs fairly often, offices are forced to reestablish withholding frequently. Withholding spells have a median length of 17 months; most spells are either under 6 months of duration or over two years. Nine months is the median length of time that it takes to reestablish withholding after an interruption.
- Cases in offices in which immediate withholding is required by law are more likely to have withholding than cases in offices in which immediate withholding is not required, when case characteristics are controlled, estimated effects on average collections are positive but not statistically significant.
- The most commonly cited barriers to implementing withholding identified by staff and advocates for custodial parents are the difficulty of obtaining information on employers,



the difficulty of withholding from certain income sources, and procedural hurdles, such as problems associated with sending advance notice to obligors. While most staff believe that additional staff time would increase the proportion of cases with withholding, few identify staff shortages as a major problem for implementing withholding.

One theme that arises from these findings is that withholding is not a panacea for improving the collection of child support--it will never be possible to implement income withholding for all obligors, because some obligors are consistently unemployed, work irregularly, or have income sources that are difficult to reach through withholding. This **finding** was also stressed by Garfinkel and Klawitter (1990).

Nonetheless, it is clear from these data that many obligors do have employment which the IV-D agency fails to learn about, or learns about only after a **sizeable** arrearage has accrued. We recommend that OCSE study the obstacles to obtaining employment information in more detail. States should be encouraged to use SESA data more regularly, and access to these data for line caseworkers should be facilitated. However, there are many shortcomings to these data, and OCSE should consider how the use of other sources of employment information could be expanded.

Immediate income withholding seems likely to facilitate locating employers to some extent, since the obligor's employer is less likely to change between the establishment of the support order and the implementation of withholding if the withholding is implemented within days after the order. However, there remains a need to search for employment information for obligors who are initially unemployed or who lose their jobs after some period.

The reasons that withholding amounts frequently do not include payments on arrears, in violation of federal regulations, are not clear from our data. We recommend that OCSE study this issue more thoroughly, and pay close attention to state performance in this area.

The fact that withholding spells are often short, and that withholding must then be reestablished, strengthens the necessity for streamlining the procedures for implementing withholding as much as possible. To this end, we recommend that OCSE encourage a greater use of automation, and the

use of purely administrative procedures to initiate withholding and to rule **on** obligor contests. The **FSA** requirements for statewide automated systems should help if these systems are designed appropriately. In addition, it would be useful to encourage states to remove special requirements for interstate income withholding, where they exist.

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#### IV. MEDICAL SUPPORT

The inclusion of medical support in child support orders is one method for increasing access to health care among children. Moreover, the pursuit of medical support also helps offset the costs of Medicaid and other publicly funded health insurance for low-income children. Approximately 15 percent of children younger than 18 in this country, and about 20 percent of children not living with both their biological parents are uninsured (Bloom, 1990). This disproportionate lack of health insurance among children not living with both parents is especially troublesome, because children without health coverage are less likely to have a routine source of health care and are less likely to have had routine doctor visits. Another reason for concern about medical support is that the public incurs the cost of providing health care to the approximately 7 million children covered by Medicaid.

In response to these issues, the medical support provisions of the 1984 Amendments and subsequent regulations sought to (1) increase the extent to which medical support was included in orders, (2) increase the enforcement of medical support, and (3) facilitate the pursuit of third-party liability for Medicaid expenses. Our evaluation found that the establishment of medical support orders has improved greatly since the 1984 Amendments. However, the collection of insurance information and information-sharing between IV-D offices and Medicaid **Third Party** Liability units continue to be seriously deficient.

As background for examining the procedures and performance of IV-D offices in the area of medical support, we first **describe** the medical-support provisions of the **1984** Amendments and implementing regulations (Section A). Then, we describe the policies used by the states and local offices to implement these provisions and the outcomes of these policies. Section B discusses the inclusion of medical support in petitions and orders, and the effects of medical support orders on the amount of cash support ordered. Section C discusses the procedures used by IV-D agencies to obtain medical insurance information and the implementation of these procedures, and Section D discusses

the process of sending insurance information to the Medicaid agency. Section E looks at the tools available for enforcing medical support orders and the approximate cost of enforcement actions. Section F describes the views of local office staff and advocates for custodial parents and children on barriers to the effectiveness of the medical support program and presents their ideas about how to overcome these barriers. Section G presents our conclusions and policy recommendations.

#### A. MEDICAL SUPPORT LAWS AND REGULATIONS

The Medicare-Medicaid Anti-Fraud and Abuse Amendments of 1977 called upon Medicaid agencies to pursue third-party liability for Medicaid expenses through medical support enforcement. The implementing regulations, published on February 11, 1980, promoted (but did not require) cooperative agreements between IV-D agencies and Medicaid agencies to avoid duplicating efforts. However, many state IV-D programs chose not to establish cooperative agreements with Medicaid, both because the rate at which the federal government matched state Medicaid expenditures was lower than the corresponding match rate for state child support enforcement expenditures, and because federal child support enforcement incentive payments (which are additional payments beyond the federal matching funds) were based on cash support collections only. Furthermore, federal regulations allowed IV-D agencies to choose not to pursue medical support if ordering such support would reduce the amount of cash support ordered,

The medical support provisions of the 1984 Amendments were designed to facilitate establishing medical support requirements in child support orders, to improve the enforcement of medical support orders, and to increase the level of cooperation between IV-D agencies and Medicaid Third Party Liability units. The language of the law itself is broad.<sup>1</sup> Under the federal law, the Secretary was to issue regulations which required that state IV-D agencies “petition for the inclusion of medical support as part of any child support order whenever health care coverage is available to the absent

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<sup>1</sup>The quotations in this section are from the 1984 Amendments (42 USC 652(f)) and the 1985 federal regulations (45 **CFR 306.51(a)(1)**, (a)(2), and (b)(1)).

parent at a reasonable cost.” Federal regulations were also to “provide for improved information exchange between” IV-D agencies and “the State agencies administering the State Medicaid programs ... with respect to the availability of health insurance coverage.”

The federal regulations, issued on October 16, **1985**, clarified the responsibilities of state IV-D agencies for securing medical support obligations. In contrast to the provisions involving wage withholding, the **1984** Amendments on medical support did not require that medical support provisions be included in all new or modified child support orders, but instead they required that the IV-D agency petition for medical support, a policy that did not require legislative changes at the state level. The regulations require that state IV-D agencies “petition the court or administrative authority to include health insurance that is available to the absent parent at reasonable cost in new or modified ... orders for support.” IV-D agencies are to petition for medical support *whether or not* health insurance at “reasonable cost” is actually available to the obligor at the time of the order, and regardless of whether a modification of the current coverage to include the dependent is immediately possible, unless “the custodial parent and **child(ren)** have satisfactory health insurance other than Medicaid.” In non-Medicaid cases, the petition is to be made only with the consent of the custodian.

In the 1985 regulations, health insurance was **defined** as “reasonable cost” if it is “**employer-related**” or some “other group health insurance.” In September **1988**, the Department of Health and Human Services issued additional regulations that slightly expanded the definition of reasonable-cost health insurance to encompass “employment-related or other group health insurance regardless of service delivery mechanism.” Such mechanisms include “fee for service, health maintenance

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<sup>2</sup>See 45 CFR **306.51(b)(3)**. Other important provisions in the **1988** regulations required that states (1) develop **procedures** for targeting **obligors** in existing cases who were able to obtain health insurance, and (2) seek to modify those cases to include medical support obligations in the child support order. Because these regulations were implementing provisions of **1987** legislation, and were issued after this evaluation was in progress, we did not specifically examine their implementation. The Region VII (Kansas City) HHS Office of the Inspector General is preparing a report that will evaluate the implementation of the **1988** regulations, which should be forthcoming in spring 1991.

(continued...)

organization, preferred provider organization, and other types of coverage under which medical services could be provided to the dependent **child(ren)** of the absent parent.”

Under federal regulations, the state IV-D agencies are now required to work with the Medicaid **Third Party Liability** units to recover or avoid Medicaid costs. If the individual who receives IV-D services is a Medicaid applicant or recipient, the state IV-D agency is required to obtain and provide the Medicaid agency with the following information:

- A case identification numbers
- The name, Social Security number, and home address of the **obligor**
- The names and Social Security numbers of the children
- The name and address of the obligor’s employer, if employed
- Whether the obligor has a health insurance policy
- Information on the policy (such as how claims are filed)

The IV-D agency is also required to inform the Medicaid agency when a new or modified child support order includes medical support. Furthermore, the IV-D agency must periodically monitor the availability and provision of health insurance by contacting obligors directly, by contacting the Medicaid agency, **and/or** by making requests to employers.

If health insurance is currently available to the obligor and was not obtained when the medical support order was established, federal regulations require that the IV-D agency “take steps to enforce” the medical support obligation. However, the regulations do not identify the specific steps to be taken.

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<sup>2</sup>(...continued)

The 1987 Omnibus Budget Reconciliation Act legislation also required that IV-D agencies enforce medical support orders for all Medicaid recipients, including those not on AFDC. **Final** implementing regulations for this provision were issued in February 1991.

<sup>3</sup>**This** can be the **AFDC** case number, the Title IV-E (foster care) case number, the custodian’s Medicaid number, or the custodian’s Social Security number.

The 1984 Amendments also indirectly affected medical support awards by requiring that states adopt guidelines for setting child support orders. Most state guidelines consider how the costs of medical insurance carried by the obligor for the children should be counted toward the cash support obligation, and many also address responsibility for uncovered expenses. Under most types of guidelines, medical support obligations reduce the level of cash awards. Local office incentives for establishing medical support awards are thus reduced, because offices receive federal incentive payments based only on cash support collections. However, states identified by OCSE auditors as deficient in medical support establishment or enforcement may be subject to financial penalties.

## B. OBTAINING MEDICAL SUPPORT ORDERS

We examined two issues pertaining to the establishment of medical support orders: (1) the inclusion of medical support in petitions and in orders, and (2) the effects of medical support orders on the level of cash support ordered. We found that the 1984 Amendments substantially increased the frequency with which medical support is being included in petitions for support orders and in the orders themselves. However, medical support is still not being included in a significant number of petitions, despite federal regulations requiring its inclusion. Most staff reported that the inclusion of medical support in orders reduces the dollar amount of the support order, but to varying extents depending on how medical support enters into state guidelines.

### 1. Including Medical Support in Petitions and Orders

While most of the offices in our survey seem to comply with the federal regulations for including medical support petitions in orders, a few reported procedures seem at odds with those regulations (Table IV.1). Twenty-three of the 29 agencies surveyed (79 percent) generally ask IV-D program applicants whether medical support is being provided. Although they are not required by federal



TABLE IV.1  
IV-D AGENCY POLICY FOR REQUESTING MEDICAL SUPPORT

Policy or Procedure	Number of Sample Offices	Percent of Sample Offices
Agency <b>Inquires</b> at Application Whether Medical Support is Being Provided		
Most of the time	23	79 %
Sometimes	4	14
Never	0	0
Not reported	2	7
Agency Requests Medical Support in Petition, Even If It Is Currently Being Provided		
<b>Yes</b>	<b>24</b>	<b>83 %</b>
No	2	7
Not reported	3	10
No Medical Support Is Requested if <b>Obligor</b> Claims Not to Have <b>Reasonable-Cost</b> Coverage	6	21 %
Method Used by IV-D Agency to Ensure <b>That</b> IV-D Petitions Contain Request for Medical Support*		
Form petitions are required for <b>most cases</b>	19	<b>66 %</b>
<b>Cooperative</b> agreements require that <b>local</b> agencies petition for support	1	3
<b>Agency policy requires</b> petition for <b>medical support</b>	18	62
<b>Included in all orders<sup>b</sup></b>	7	24
No formal procedure	0	0
Not <b>reported</b>	1	3
Agency Policy on What It Considers "Available at a Reasonable Cost"		
Any group plan, regardless of cost	11	<b>38 %</b>
Based on maximum payments	3	10
Any plan available through employer	2	7
In the process of developing <b>guidelines</b>	3	10
No <b>policy</b>	8	28
Not reported	2	7
Staff Estimate of the Proportion of <b>Cases</b> for Which Obligor Has <b>Health Insurance Available</b> at Reasonable Cost or Through an Employer-Related <b>Plan</b>		
10% or <b>less</b>	1	3%
<b>11-20%</b>	4	14
<b>21-30%</b>	9	31
<b>31-40%</b>	8	28
<b>41-50%</b>	3	10
Over 50%	3	10
Number of <b>Offices</b> Reporting	29	

SOURCE: MPR **surveys** of **local** IV-D office staff, completed **largely** in **fall** and winter 1990-1991.

<sup>a</sup>**More** than one answer may be indicated. Percentages may **thus** sum to **over** 100 percent.

<sup>b</sup>**One** of the seven **offices specifically** noted, "[the] petition does not have to **request** it. Court **orders automatically** contain the **[medical support]** order."

regulations to do so, 24 of the offices (83 percent) include medical support in the petition even when it is established that medical support is being provided. Establishing a formal order is useful, because otherwise the IV-D agency has no power to enforce the obligation.

Six offices (21 percent) reported not requesting medical support if the **obligor** claimed not to have coverage available at reasonable cost. This policy contradicts federal regulations which require that offices request medical support even if it is not currently available, so that medical support can be required without an additional court order if and when the obligor obtains access to affordable insurance at a future date.

To ensure that medical support is included in petitions, 19 of the 29 offices in our sample use standardized “form” petitions that include such a request. Seven offices reported that their state law required that medical support be included in **all** orders; one of them mentioned that, because of the law, the office does not explicitly request medical support in the petition.

Definitions of “reasonable cost” medical insurance coverage **differ** among IV-D agencies. Three offices (10 percent) define “reasonable” on the basis of the level of payments that the obligor would have to make for the insurance--either setting an absolute maximum or setting a maximum relating to the obligor’s income or the share of the insurance cost borne by the obligor and the employer. Most offices estimate that 40 percent or less of obligors have reasonable cost insurance coverage.

The state laws applicable in most of the jurisdictions in our sample require that courts consider the ability of the obligor to provide medical support when setting a child support order (Table W.2). This requirement was reported by 26 of the 29 offices in our survey. Relatively few limitations are imposed on the application of medical support requirements. Four offices (14 percent), all **in** one state, reported that the state law applied only to IV-D cases, and one office reported that the court would consider medical support only if the obligee requested that it be included in the order. Seven offices (24 percent), located in four states, reported that their state requires that medical **support be**

TABLE IV.2  
STATE LAWS GOVERNING MEDICAL SUPPORT

	Number of Sample Offices	Percent of Sample Offices
Statutory Requirement to Consider the Ability of the Obligor to Provide Medical Support		
<b>Yes</b>	26	<b>90 %</b>
No	2	7
Missing	1	3
Limitations in Statute for Offices that Report a Statutory Requirement <sup>a</sup>		
Missing	1	3 %
Does not apply to <b>non-</b> IV-D cases	4	14
Court will not consider medical support unless obligee requests it	1	3
Obligor must be financially able to provide medical support	4	14
No <b>limitations</b> <sup>b</sup>	16	55
Number of Offices Which Report State Law Requires That Medical Support be Included in <b>All Orders</b> <sup>b</sup>	7	24
Number of Offices Reporting	29	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

NOTE: In some cases, the offices in a state gave different responses to whether medical support was required and/or under what conditions it was required. Thus, offices within a specific state may be classified differently in the table. Differential response may reflect variation in local court rules or practices governing the interpretation of state statutes; it may also reflect misinformation.

<sup>a</sup>More than one answer was possible.

<sup>b</sup>The language of the medical support order in these states/offices typically or always includes the limitation "if available at reasonable cost" or the equivalent.

included in *all* orders. As noted earlier, these offices seemed to be less concerned about petitioning for support, since it will be included in the order regardless.

Data from the case-records sample suggest that the 1984 Amendments substantially increased the prevalence of medical support petitions and orders, but that there is still room for improvement. Comparisons of cases whose orders were before and after January 1, 1987 (the approximate date by which the Amendments were fully implemented nationwide) revealed a substantial increase between the two periods in the percentage of petitions that requested medical support (Table IV.3). For AFDC cases, there was nearly a 60 percent increase in the prevalence of petitions for medical support, from 37 percent of petitions for cases whose orders were before January, 1987, to 58 percent of petitions for cases whose orders were after January 1, 1987. Similarly, the prevalence of petitions for medical support among non-AFDC cases increased from 36 percent to 54 percent between the pre-1987 cases and those whose orders were established later.<sup>4</sup>

It was noted earlier, based on staff survey data, that W-D agencies still do not appear to be petitioning for medical support in all cases in which they are required by the 1984 Amendments to do so. The case record data in Table IV.3 support this conclusion, since the petitions of only 58 percent of AFDC cases and 54 percent of non-AFDC cases with orders established after 1987 contain requests for medical support.

The percentage of cases with medical support orders has also increased dramatically since January 1987, due to both the increased medical support requests in petitions and new laws in some states which require that judges consider medical support when setting support orders, even if such support is not requested in the petition. The proportion of cases whose orders included medical support increased from 36 percent for AFDC cases and 42 percent for non-AFDC cases in the pre-1987 period to 64 percent for both AFDC and non-AFDC cases in the period starting in 1987. As

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<sup>4</sup>These results were substantially the same when case characteristics were controlled for in a regression (not presented).

TABLE IV.3

EXTENT OF **MEDICAL SUPPORT PETITIONS** AND ORDERS  
(Weighted Percentages of **Nonmissing** Data)

	<b>AFDC Cases</b>		<b>Non-AFDC Cases</b>	
	<b>Pre- 1987</b>	<b>1987-</b>	<b>Pre- 1987</b>	<b>1987-</b>
Percent of All Cases With a IV-D Support Petition <b>That</b> Requests Medical Support	37 %	58 %	36%	54 %
Percent of <b>All</b> Cases in Which Medical <b>Support Is Included in</b> the Order	36%	64%	42 %	64%
Percent of <b>Cases</b> That Petition for Medical Support for Which Medical Support <b>Is</b> Included in the Order	77 %	82%	89 %	90%
Percent of <b>Cases</b> Not Petitioning for Medical <b>Support for</b> Which Medical <b>Support Is</b> Included in the Order	21 %	49 %	25%	42 %
<b>Percent of Cases With No Petition in the Case Files for Which</b> Medical Support <b>Is</b> Included <b>in</b> the Order	19 %	50 %	23%	56 %
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Sample Sizes				
Row 1: All <b>Cases</b> with IV-D Support Petition	219	308	487	348
<b>Row 2: All Cases</b>	285	339	608	424
Row 3: Cases that Petition for Medical Support	80	154	168	165
Row 4: Cases Not Petitioning for Medical Support	136	128	302	158
Row <b>5:</b> Cases With No Petition	70	57	138	101

SOURCE: Weighted tabulations from MPR case records abstracts of 1,906 active IV-D cases with orders, abstracted from February to November 1990.

NOTE: All percentages are percentages of nonmissing data. "Pre-1987" cases have orders dated before January 1, 1987, while "1987-" cases have orders dated on January 1, 1987 or Later.

shown in the last three rows of the table, the increases were larger for cases whose petition did not request medical support than for cases whose petition did request medical support, but the latter group of cases had a much higher likelihood of obtaining medical support orders in both periods.

Of support orders that require medical support, most include language which specifically requires that the obligor provide hospital and/or medical insurance coverage (Table IV.4). Orders sometimes also include dental coverage and/or responsibility for at least a share of uncovered expenses. In a small proportion of cases, the orders specify that the obligors are responsible for all or part of the children's medical expenses, regardless of whether or not the expenses are covered by insurance. Many orders (51 percent of recent orders in **AFDC** cases and 31 percent of recent orders in **non-AFDC** cases) include a specific "reasonable cost" provision.<sup>7</sup>

Other studies confirm our assessment that medical support is not always petitioned for or ordered when appropriate. In an HHS Office of the Inspector General (OIG) (1989) study of a national sample of 287 child support cases with orders established in early 1988, only 105 of the cases had petitions for child support which could be found in the case files. Of the 105 petitions found, only 69 requested medical support (66 percent). Two of the eight states included in the OIG study stated that they routinely petition for medical support; the other six said that they petition for medical support only when they know that health insurance is available. Joint program reviews of medical support enforcement conducted by OCSE and the Health Care Financing Administration (HCFA) in 12 states from 1988 to 1990 found mixed performance in obtaining medical support orders. Specifically, three state reviews found almost no medical support orders, four found orders in 25 to

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<sup>7</sup>Under some state laws, the court determines whether reasonable cost coverage is available to the obligor when the support order is entered, and, if available, the obligor is ordered to provide coverage without the qualification "if available at reasonable cost." Other states typically include the language "if available at reasonable cost" in all medical support orders.

TABLE IV.4  
PROVISIONS OF ORDERS THAT REQUIRE MEDICAL SUPPORT

	AFDC Cases		Non-AFDC Cases	
	Pre-1987	1987-	Pre-1987	1987-
Type of Medical Support Specified in Order				
Hospital and/or Medical Coverage Only <sup>a</sup>	66%	58 %	70 %	57 %
Plus Share of Uncovered Expenses <sup>b</sup>	7	10	7	16
Plus Dental	17	15	11	15
All or Part of Medical Expenses <sup>c</sup>	4	9	6	4
Other	6	9	6	8
Order Explicitly Requires Coverage Only if Available at Reasonable Cost	41 %	51 %	31 %	31 %
Number of Cases with Medical Support Orders	103	218	257	272

SOURCE: Weighted tabulations from MPR case records abstracts of 1,906 active IV-D cases with orders, abstracted from February to November 1990. This table includes only cases with orders that included provisions for medical support.

<sup>a</sup>"Health coverage" was coded as both hospital and medical coverage.

<sup>b</sup>Those in this category may also be required to provide dental coverage.

<sup>c</sup>In these cases, the obligor was required to cover some or all medical expenses for the children, regardless of his access to health insurance.

50 percent of the cases reviewed, four found orders in about two-thirds of the cases reviewed, and one found orders in all cases (by state law).<sup>6</sup>

Data from the 1988 Current Population Survey for cases with child support orders indicate that 23 percent of AFDC families with orders and 37 percent of non-AFDC families with orders who had sought help from a government agency (the best approximation for non-AFDC IV-D families) have medical support provisions in their orders. These estimates, which primarily reflect orders issued before the implementation of the 1984 Amendments, are slightly higher than we found for the pre-1987 cohort in our sample. This may reflect sampling error, differences in the samples, or underestimates due to self-reporting in the CPS.

## 2. The Effects of Medical Support on Cash Support

Due to the structure of funding incentives, the increased use of guidelines to set child support orders may reduce the incentive for staff to pursue medical support orders actively. Most guidelines include provisions whereby medical support obligations reduce the level of cash child support obligations, and thus collections. Since federal funding incentives are based only on the level of cash support collections, IV-D agencies may prefer to devote their resources to pursuing collection of cash support rather than medical support in the face of reduced federal incentive payments.<sup>7</sup>

The manner in which medical support is included in guideline calculations reflects the basic structure of the guidelines. Child support guidelines typically consist of a schedule of “tax rates” that are applied either to the obligor’s income or to the joint income of the obligor and obligee. These rates vary according to the number of children to be supported, and sometimes their ages. The guidelines also vary in terms of the income deductions that are allowed. There are four major ways that state guidelines treat the cost of medical insurance (National Center for State Courts, 1990).

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<sup>6</sup>The OCSE/HCFA program reviews generally do not address the prevalence of requests for medical support in petitions.

<sup>7</sup>However, if federal audits indicate that states neglect medical support activities extensively, states run the risk of financial penalties.



First, most states treat the cost of medical insurance as a deduction from income before the “tax rate” is applied (“deduction” guidelines). Unless income is very low and insurance cost is high, the reduction in the support amount because of the deduction will be small. Second, a very few states (only one state with three offices in our sample) treat medical insurance costs much like a tax credit; they first calculate the child support payment based on income, number of children, and so forth, and then reduce the child support payment dollar-for-dollar by the cost of medical insurance (“credit” guidelines).

Third, in some of the states that use “income shares” guidelines, the cost of medical insurance (usually for the children only) is added to the child support obligation, which is then prorated between the two parents (“addition” guidelines). Under this third approach, if the obligor pays the full cost of the insurance, his cash obligation is reduced by the *obligee's* share of the medical insurance cost, thus typically reducing his support obligation by more than when medical support is deducted from income. Finally, some state guidelines do not address medical support obligations for calculating cash support. In these states, medical support obligations probably do not reduce cash support at all (one such state in our sample limits the level of medical support instead).

As shown in Table IV.5, staff views on the extent to which medical support reduces cash support correlate highly with the degree to which each type of guideline tends to reduce cash support. In the sites where medical insurance costs are treated as a “deduction” from income, 50 percent of the offices report that cash support is “seldom” reduced, while 44 percent report that it is “often” **reduced**. In the three sites (in one state) where medical insurance costs are treated as a “credit” against the award, staff reported that cash support is “always” reduced. In the “addition” offices, three of four reported that medical support is “often” reduced. Finally, in the sites where medical insurance costs are not explicitly treated in the guidelines, one office reported that cash support is “never” reduced, and five reported that it is “seldom” reduced.

TABLE IV.5

EFFECTS OF MEDICAL SUPPORT ON LEVELS OF SUPPORT ORDERS, BY TYPE OF GUIDELINE  
(Entries are Percentages of Offices with the Characteristic Shown  
in Column Heading That Gave Each Row Heading Response)

Staff Assessment of How Often the Inclusion of Medical Support in the Order <b>Reduces</b> the Level of Monetary Support	State Guidelines for Counting <b>Medical</b> Insurance Cost				All Sample Offices
	Deduction <sup>a</sup>	Credit <sup>b</sup>	Addition <sup>c</sup>	Not Addressed <sup>d</sup>	
Percent of Offices Responding:					
<b>Always</b>	6 %	100%			14 %
Often	44		75 %		35
Seldom	<b>50</b>		<b>25</b>	<b>83 %</b>	<b>48</b>
<b>Never</b>				17	3
Number of Offices Responding:					
<b>Always</b>	1	3		—	4
Often	7		3		10
Seldom	<b>8</b>		1	<b>5</b>	14
<b>Never</b>				1	1
Number of <b>Offices</b>	16	3	4	6	29

SOURCE: MPR surveys of local **IV-D** office staff, completed largely in **fall** and winter **1990-1991**. Information on guidelines comes from National Center for State Courts (1990).

<sup>a</sup>Medical insurance cost is deducted from income before the child support obligation is **calculated**.

<sup>b</sup>The amount of the cash child support obligation is **calculated** on the basis of the guideline, and the obligation is then reduced by the cost of medical insurance (similar to a **tax** credit).

<sup>c</sup>This category **refers** to "income shares" guideline states in which any medical support obligation is **added** to the cash child support obligation **before** it is allocated between the two parents. If the **obligor** pays the costs of medical **insurance**, s/he will receive a credit **equal** to the custodial parent's share of medical insurance cost against **his/her** cash obligation. **Conversely**, if the **obligee** pays for medical insurance, the **obligor** will be **required** to increase **his/her** cash support by **his/her** share of the medical insurance **cost**.

<sup>d</sup>Guidelines in these **states** do not take medical insurance costs into account.

## C. OBTAINING MEDICAL INSURANCE INFORMATION

As stated earlier, the N-D agencies are required to obtain and provide the Medicaid agency with information on the identity, employment, and health insurance status of **obligors**. Despite this requirement, we found that several offices report in the staff surveys that they do not regularly monitor compliance with medical support orders. Furthermore, in our examination of case records, we found that case files usually do not contain health insurance information. These findings suggest that, in general, offices are not collecting the information required to enforce medical support.

Approximately half of the 29 offices that responded to our survey reported that they periodically determine whether medical support is being provided (see Table IV.6). About two-thirds of the offices indicated that they monitored the availability of medical support. However, case records data (see below) suggest that these figures are overestimates.

Two offices (7 percent of the sample) reported not having procedures for obtaining information on the availability of health insurance to obligors. When offices do collect information, most reported contacting employers to determine whether insurance is available to the obligor--69 percent of offices reported having this procedure. Eighteen offices (62 percent) require that the obligor provide proof of coverage after medical **support is** ordered. Ten offices consider it the responsibility of the Medicaid agency to monitor compliance, although three of these offices also indicated that the **obligor** is required to submit proof of coverage.

Staff were **asked their opinions** about constraints on collecting medical insurance information (last panel of Table IV.6). The following were the three most commonly cited obstacles: 66 percent of offices stated the obligor's employer was often unknown; 72 percent of offices said that they had insufficient time to follow-up on coverage issues; and 62 percent said that the obligor did not comply with requests for proof of coverage. Missing information on where **obligors** are employed and insufficient staff time are probably related. Seven offices (24 percent) specifically mentioned as a problem that obligors were not legally required to provide proof of coverage. However, those offices

TABLE IV.6  
OBTAINING MEDICAL INSURANCE INFORMATION

	Number of Offices	Percent of Offices
Agency Periodically Reviews the Ptwinon of Medical Suppott		
Yes	14	48%
No	12	41
Missing	3	10
Agency Periodically Reviews the Availabiity of Medical Support		
Yea	19	66%
No	7	24
Missing	3	10
Procedures Use-d by Offices To Obtain Information on the Availability of Insurance to Obligor <sup>a</sup>		
No set procedure to obtain information	2	7%
Employer contacted	20	69
Obligot must provide sworn financial statement	5	17
Interrogatories served on obligot that require disclosure	2	7
Obligot or obligee contacted	7	24
Other	2	7
Missing	1	3
Procedures Used by Offices Determine Whether Insurance Is Provided When Ordered <sup>a</sup>		
Not usually determined	2	7%
Obligot required to provide proof of coverage	18	62
IV-D agency notifies Medicaid agency, which monitors compliance	10	35
Medical income withholding	1	3
Employer contacted	2	7
Obligot and/or employer contacted	2	7
Other	1	3
Obstacles to Obtaining Medical Insurance Information <sup>a</sup>		
Obligor's employer unknown	19	66%
Obligor's employer not required to give information	9	31
Obligot not required to submit proof of coverage	7	24
Obligot seldom submits proof of coverage	18	62
Lack of agency time to follow-up on coverage issues	21	72
Medical insurance information not on automated system	3	10
Coverage not available through employer	1	3
Other limits on coverage	2	7
Number of Offices Responding	29	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

<sup>a</sup>More than one answer could be indicated. Percentages may thus sum to more than 100 percent.

in which obligors were legally required to provide this information were just as likely as offices without this legal requirement to list non-compliance by obligors as a barrier, suggesting that legal requirements for obligor cooperation are not easily enforced. Nine offices (31 percent) reported that the lack of a legal requirement for employers to provide medical insurance information created an enforcement barrier.

Case records data indicate that the files of only a few cases contained any information on medical insurance coverage, even among cases whose orders included medical insurance (Table N.7). Overall, the files of 11 percent of **AFDC** cases and 15 percent of non-APDC cases contained insurance information.<sup>8</sup> Among cases with medical support orders, 17 percent of AFDC cases and 23 percent of **non-AFDC** cases have insurance information. These percentages are slightly higher (23 percent for **AFDC** cases and 27 percent for non-AFDC cases) for cases which had medical support orders and in which the obligor was employed. Because our data reflect information on available insurance coverage, the dearth of information on insurance reflects both the low priority that IV-D offices attach to collecting this information and the fact that some **obligors** do not have access to health coverage. While it is not possible to fully sort out the relative influence of these two factors, the fact that only about a quarter of the case files in which the obligor's employer is known have insurance information suggests IV-D agency efforts to obtain this information are seriously inadequate. In addition, CPS data **on provision** of medical support (discussed in Section E) suggest obligors have medical insurance available much more often than is indicated in case files.

Our findings on the low level of activity to pursue health insurance information are consistent with those of other studies. The 1989 study by the HHS Office of Inspector General cited earlier found that insurance information had been pursued in only 15 percent of the cases reviewed. Similar

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<sup>8</sup>In determining whether a **file** contained insurance information, we counted any information on coverage, no matter how old. We included coverage held by the obligee, as well as by the obligor. However, we did not include cases for which case files showed that the obligor did not have insurance available.

TABLE IV.7

PERCENTAGE OF CASES IN WHICH INSURANCE INFORMATION  
WAS AVAILABLE IN CASE FILES

	AFDC Cases	Non-AFDC Cases	Total
<b>All Cases</b>	11 %	15 %	13 %
Cases With Medical Support Orders	17	23	21
Cases Without Medical Support Orders	3	7	6
Employment Status (for Cases with Medical Support in the Order)			
<b>Employed<sup>a</sup></b>	23	27	26
Not employed	8	20	14
Not determined	13	10	12

SOURCE: Case-record data on 1,657 IV-D cases with orders in which it was possible to determine whether a medical support order existed. Appendix Table C.13 shows the number of cases with each characteristic.

<sup>a</sup>This category includes those obligors who have no arrearages, for whom no employment information was collected.

findings were obtained in the program reviews by OCSE and HCFA discussed earlier. In the seven reviews that examined whether the IV-D case files contained medical insurance information, only two found insurance information in 20 percent or more of the files, and none of the reviews found insurance information present as much as half the **time**.<sup>9</sup>

#### D. SENDING INFORMATION TO THE MEDICAID AGENCY

Many offices use potentially inefficient procedures for transmitting insurance information to the Medicaid agency (Table **IV.8**). Five offices reported sending the information through intermediaries--two through the **AFDC** offices, and three through the IV-D agency. Seventy-two percent (21 offices) use paper forms to send this information, and none of the offices reported having direct on-line access to the Medicaid computer system. Not surprisingly, the transmittal time for nearly half of the offices was more than 15 days.

The case records data indicate an even bleaker picture of the process of transmitting information to the Medicaid agency (Table IV.9). Only 2 percent of all AFDC case files and 5 percent of those with medical support orders indicated that insurance information had been forwarded to the Medicaid agency. Although some insurance information may be transmitted to Medicaid agencies through automated systems and, thus, not captured in the files, more than two-thirds of the offices in the sample use paper forms to send this information, and it seems likely that copies of these forms would be placed in the case files.

As shown in Table **IV.10**, the most frequently cited barrier to the timely transmission of information to the Medicaid agency is a lack of staff time. This barrier was mentioned by 8 of the 17 offices that responded to this part of the questionnaire. Other barriers included the absence of automated systems, incompatible automated systems, and other missing information.

These findings, too, are **very** consistent with the findings of the Inspector General's study and the joint **OCSE/HCFA** program **reviews**. The Inspector General found the Medicaid agency received

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<sup>9</sup>The samples ranged from approximately 25 to 150 per state.

TABLE IV.8  
PROCEDURES FOR TRANSMITTING MEDICAL INSURANCE  
INFORMATION TO THE MEDICAID AGENCY

	Number of <b>Sample</b> offices	Percent of Samnle Offices
Medical Insurance Information Transmitted to Local Medicaid Unit, State Medicaid Unit, or Other Agency		
Local Medicaid unit	7	24 %
State Medicaid unit	12	41
Both local and state Medicaid units	<b>5</b>	17
<b>AFDC</b> office	2	7
Medicaid team within IV-D agency	3	10
How Information Is Transmitted*		
Information entered into IV-D agency automated system and transferred to Medicaid system	4	14
Paper transfer	21	72
Information sent to IV-A worker, who is responsible for sending it to Medicaid	2	7
By computer tape	2	7
Time Required by the IV-D Agency to Make Information <b>Available</b> to the Medicaid Agency		
<b>0</b> to 1 days	<b>0</b>	<b>0</b>
2 to 5 days	4	14
6 to 15 days	8	28
More than 15 days	14	48
Missing	3	10 %
Number of Offices Responding	29	

SOURCE: MPR surveys of **local** IV-D office staff, completed largely in **fall** and winter **1990-1991**.

<sup>a</sup>No sites reported using on-line direct input by the IV-D workers.



TABLE IV.9  
INDICATIONS IN CASE **FILES** THAT INSURANCE INFORMATION  
IS SENT TO MEDICAID FOR **AFDC** CASES

	Medical Support Order	No Medical Support Order	Total <sup>a</sup>
AFDC Cases Whose Files Contain Medical Insurance Information	17 %	3 %	10 %
AFDC Cases Whose Medical Insurance Information Is Sent to Medicaid	5 %	<sup>b</sup>	2 %
Number of <b>AFDC</b> Cases	320	305	705

SOURCE: Weighted tabulations from MPR case records abstracts of active AFDC IV-D cases with orders, abstracted from February to November 1990.

<sup>a</sup>Includes cases for which the existence of a medical support order could not be determined from the case files.

<sup>b</sup>Less than .5 percent (1 case).

TABLE IV.10

STAFF PERCEPTIONS OF THE BARRIERS TO THE TIMELY TRANSMISSION  
OF INSURANCE INFORMATION TO THE MEDICAID AGENCY

	Number of Responding Offices	Percent of Responding Offices
Time/Resources	<b>8</b>	47%
Lack of time	<b>5</b>	29
Staff resources	<b>2</b>	12
Other work priorities	<b>1</b>	6
Lack of Automation	<b>7</b>	41%
Lack of automation or electronic transmittal	<b>5</b>	<b>29</b>
Computer systems do not communicate with each other	<b>1</b>	6
Transmittal is by written notice	<b>1</b>	6
Other Information-Flow Problems	<b>4</b>	24%
Does not receive court orders	<b>1</b>	6
Missing information	<b>2</b>	12
Mail <b>delivery</b>	<b>1</b>	6
Number of Offices Responding	17	100%

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter **1990-1991**.

insurance information only for 28 percent of the 36 cases in which the IV-D office determined that insurance was available. Of the eight **OCSE/HCF**A state program reviews that assessed whether information was sent to Medicaid, five found no evidence that insurance information was *ever* sent to the Medicaid agency. Although the samples in these reviews were small (usually only one or two offices were reviewed in each state), taken together with our findings, they suggest that IV-D agencies are **largely** ignoring their mandate to provide insurance information to the Medicaid agencies.

#### E. THE ENFORCEMENT OF MEDICAL SUPPORT ORDERS

If a IV-D agency finds evidence that an obligor with a medical support order has health insurance available at reasonable cost but has not enrolled his **child(ren)**, federal regulations require that the agency take steps to enforce the order. There are four key questions related to enforcement practices: What methods are used to enforce medical support orders? How often are enforcement actions taken? How often are they successful? What are their costs?

We rely primarily on the staff surveys to address these issues, since the case records generally do not contain sufficient data on the availability of insurance to permit drawing firm conclusions about either the level of compliance with medical support orders, or whether enforcement actions have been taken when appropriate. However, because staff may tend to overestimate their office's performance, we also present the results from other studies that examined Medicaid records and surveyed employers about the availability of insurance, as well as data from the CPS, which asks custodial mothers whether health insurance is being provided by the noncustodial father.

As shown in Table IV.11, when enforcement actions are pursued, most offices begin by informally **trying** to contact the obligor. When informal discussions are not sufficient, most offices (20 of 29) file a contempt-of-court motion. The major alternative method of enforcement is sometimes referred to as "medical withholding." For this procedure, state laws permit the IV-D

TABLE IV.11

## ENFORCEMENT ACTIONS FOR MEDICAL INSURANCE REQUIREMENT

Actions Typically Taken to Enforce Medical Insurance Requirement	Number of Sample offices	Percent of Sample Offices
Letter or Phone Call to Obligor	23	79 %
Motion for Contempt	20	69
Medical Withholding	8	28
Civil Action for the Recovery of Medical Costs	4	14
Other	4	14
Number of Offices Responding	29	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

NOTE: More than one procedure may be used. Percentages may thus sum to over 100 percent.

agency to issue a notice to the employer to withhold premiums from wages and secure insurance. Eight offices in three states in our sample use medical **withholding** to some extent.”

Staff estimate that medical support enforcement actions are taken fairly infrequently (Table IV.12). Fifty-two percent of the offices reported that medical enforcement actions were taken only on 10 percent or fewer of their AFDC cases, and most of the remaining offices estimated that this proportion was between 11 and 30 percent. The numbers for non-AFDC cases are similar, though there appears to be a tendency to take enforcement actions on a slightly higher proportion of these cases. Even these estimates may be high, given our finding that most case records do not contain information on insurance, a logical precursor to enforcement. (We do not have information on how often cases need enforcement.)

Six offices (21 percent of the sample) estimated that, when taken, enforcement actions were successful in 10 percent or less of their AFDC cases. Ten offices (35 percent) estimated that their success rate for AFDC cases was over 70 percent. The remainder of the offices were widely distributed between these extremes. A similar pattern holds for non-AFDC cases. No clear relationship existed between claimed success rates and the types of enforcement methods used.

In order to obtain a rough approximation of the costs incurred by **offices** to enforce medical support, the staff survey asked the offices to estimate the average time devoted by specific types of staff to obtaining and enforcing medical support orders for those cases where some medical support enforcement action was taken.<sup>11</sup> The staff survey also collected information on the average salaries

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<sup>10</sup>**The** case records do not provide direct evidence on the success of medical withholding. However, one office (in an immediate withholding jurisdiction) collects medical insurance information from the employer at the same time that it sends the employer the notice for immediate income withholding. This office reported that medical withholding was its only enforcement mechanism. It is worth noting that the case files of this office were more likely than those in the other 29 offices to contain insurance information; insurance information was present for 42 percent of **AFDC** cases and 48 percent of non-AFDC cases in this office.

“The staff survey asked about the time devoted by child support specialists, non-judicial hearing officers, IV-D staff attorneys, judicial masters or referees, and judges. The staff survey did not ask explicitly about clerical time or **nonlabor** costs.

TABLE! IV.12  
ENFORCEMENT OF MEDICAL SUPPORT ORDERS

	AFDC Cases		Non-AFDC Cases	
	Number	Percent	Number	Percent
Estimated Percent of Cases with Medical Support Orders for Which <b>Enforcement</b> Action <b>Is</b> Taken				
<b>≤ 10 %</b>	15	52 %	13	<b>45 %</b>
<b>11-30 %</b>	8	28	7	24
31-50 %	2	7	3	10
50 % or more	1	3	2	7
Missing/not determined	3	10	4	14
Estimated Percent of Cases with Enforcement Actions for Which <b>Enforcement</b> Action Is Successful				
<b>≤ 10 %</b>	6	21%	5	17 %
11-30 %	4	14	4	14
31-50 %	4	14	3	10
<b>51-70 %</b>	2	7	3	<b>10</b>
71-99 %	10	35	10	35
Missing/not determined	3	10	4	14
Number of <b>Offices</b> Responding	29		29	

SOURCE: MPR **surveys** of local **IV-D** office staff, completed largely in fall and winter **1990-1991**.

of each type of staff. The staff-hours and salary information were **combined** to estimate the average cost of the staff time necessary to enforce a medical support order.

Agencies spend an average of between \$50 and \$60 in staff time for a medical support enforcement action (Table IV.13). While the specific mix of staff involved in any particular case differs on average, approximately one-third (\$17 of \$52 for AFDC cases, \$18 of \$58 for non-AFDC cases) of the total enforcement costs are incurred for child support specialists, with IV-D staff attorneys accounting for about another 25 percent (\$14 of \$52 for AFDC cases, \$15 of \$58 for **non-AFDC** cases) of the total. The substantial use of staff attorneys reflects the enforcement actions taken by most offices--that is, contempt-of-court motions and other court proceedings.

These costs reflect current procedures and provide only a starting point for estimating the costs of expanding the enforcement of medical support orders. Large-scale changes in the number of orders enforced would probably require changes in office procedures, which in turn would affect both the labor and **nonlabor** costs of enforcement. Furthermore, our estimates of enforcement costs exclude some of the auxiliary labor costs associated with the courts (e.g., court clerks and stenographers are not included) and also exclude the costs to the IV-D agency to locate the obligor and to serve the required legal notices.

While this and other studies strongly suggest that IV-D agencies devote little effort to enforcing medical support, the extent to which obligors fail to comply with medical support orders is difficult to assess with the IV-D case records data. In particular, it is not usually possible to determine from the files when reasonable-cost coverage is available, and an obligor is often not required to provide medical support if reasonable-cost coverage is not available. Furthermore, it is difficult to determine the number of obligors who may be providing coverage, since information on the coverage often is not included in the IV-D file. Data from the **1988** CPS Child Support Supplement suggest a moderate level of compliance: according to the mothers' reports, 55 percent of fathers with medical support orders in AFDC families provide health insurance for the children, while 39 percent of

TABLE IV.13

AVERAGE STAFF HOURS AND COSTS FOR ENFORCEMENT ACTIONS  
FOR MEDICAL SUPPORT PER CASE WITH A MEDICAL  
SUPPORT ENFORCEMENT ACTION

Staff	Hours		Costs	
	AFDC Cases	Non-AFDC Cases	AFDC Cases	Non-AFDC Cases
Child Support Specialists	1.25	1.32	\$17	\$18
Hearing <b>Officers</b> (Non-Judicial)	0.07	0.07	<b>\$2</b>	<b>\$2</b>
IV-D Attorneys	0.59	0.61	\$14	\$15
Masters or Referees (Judicial)	0.16	0.16	\$6	\$6
Judges	0.22	0.26	\$11	\$14
District Attorney	0.00	0.18	\$0	\$3
Total	2.28	2.60	\$52	\$58
Number of Offices Responding	22	22	22	22

SOURCE: MPR surveys of local IV-D office staff, completed largely in **fall** and winter **1990-1991**.

NOTE: To estimate the labor cost of medical support enforcement actions, we multiplied the average number of hours per case for each type of staff by the associated hourly compensation rate for that type of staff and then summed across **all** staff types. We estimated the hourly compensation rates by dividing the total annual salary by 2,080 (the number of work hours in a year) and then multiplying by 1.35 to account for fringe benefits (the fringe rate was obtained **from** the Bureau of Labor Statistics, 1990).



fathers with medical support orders in non-AFDC families who have contacted a government agency provide health insurance for the children. Some of those who do not provide insurance may not have insurance available at reasonable **cost**.<sup>12</sup>

## F. BARRIERS TO MEDICAL SUPPORT ENFORCEMENT

In response to open-ended questions in the survey, staff identified multiple reasons for the poor performance of the medical support enforcement program (Table IV.14). The most commonly mentioned problem is the lack of staff. This barrier was cited by 13 of the 19 offices listing problems. Other areas of concern to staff include the need for increased enforcement powers for the IV-D agency and the courts, the lack of automation, and a lack of coordination among agencies. Staff also raised concerns about the unavailability of reasonable cost insurance coverage to many **obligors**. Advocates for custodial parents are concerned with clarifying responsibilities for uncovered expenses, strengthening enforcement, and changing insurance laws to require coverage for nonresident dependents.

### 1. Staff Shortages

A lack of staff for medical support enforcement functions may reflect a general lack of staff for all IV-D functions, a management decision to give low priority to medical support enforcement, or inadequate office automation. Three offices specifically mentioned that the lack of financial incentives for medical support enforcement prompted them to place lower priority on medical support (see Table V.14). The very large caseloads in many of the IV-D offices in our sample (see Chapter II) also suggest the likelihood that the adequacy of resources is an important problem, although caseloads provide only a crude indicator of the staff time available specifically for medical support enforcement.

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<sup>12</sup>**According** to the CPS, fewer than 10 percent of fathers without medical support orders provide insurance. In non-AFDC families who have not sought government help, about 81 percent of fathers with medical support orders provide insurance.

TABLE IV.14

**STAFF PERCEPTIONS OF BARRIERS THAT LIMIT MEDICAL SUPPORT  
ENFORCEMENT AND THEIR SUGGESTIONS FOR IMPROVEMENTS**

	Number of Offices	Percent of Offices
<b>Constraints Limiting Medical Support Enforcement<sup>a</sup></b>		
Insufficient <b>Resources/Time/Staff</b>	13	<b>68 %</b>
Lack of Financial <b>Incentives</b>	3	16
Unclear <b>Procedures</b> and Insufficient Training	2	11
lack of Coordination Between Agencies	3	16
Problems With Automation/Systems <b>Capabilities</b>	2	11
Problems Monitoring Compliance	2	11
Lack of Sufficient Enforcement Authority for the IV-D Agency and Courts	7	37
<b>Lack</b> of Cooperation from the <b>Courts</b>	<b>3</b>	16
Unavailability of Health Coverage at Reasonable Cost	<b>6</b>	32
Number of <b>Offices</b> Responding	19	
<b>Staff Suggestions for Making Medical Support Enforcement More Effective</b>		
Separate and/or Increased Funding	<b>3</b>	16
Improved <b>Financial Incentives</b>	<b>3</b>	16
Additional or Dedicated Medical Support Staff	<b>8</b>	42
Additional or Improved Training	<b>1</b>	5
Improved Automation or Information Flow	<b>5</b>	26
Stronger Requirements for <b>Establishment</b> of Medical Support Orders	<b>2</b>	11
Stronger Requirements for <b>Obligors</b> to Cooperate	<b>2</b>	11
Stronger Requirements for Employers and Insurance Companies to <b>Cooperate in Enforcement</b>	<b>4</b>	21
Additional Enforcement Powers for IV-D Agency	3	16
Publicity Stressing the <b>Need</b> for Health Insurance Coverage to <b>Employers</b>	2	11
Laws that <b>Increase Availability</b> of Health Insurance to <b>All</b>	4	21
Number of <b>Offices</b> Responding	19	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991. (Ten offices did not respond to these questions.)

NOTE: Answers have been grouped Detailed responses are presented in Appendix Tables C14 and C.15.

<sup>a</sup>Staff were asked "In your opinion, what are the procedural and institutional constraints to increasing medical support collections?"

with the states to change state insurance laws which allow policies that limit coverage for children not living with the covered parent.

In addition, we recommend that OCSE consider further research on medical support enforcement in several areas. There are two useful studies that could be conducted using the data collected for this evaluation: (1) a multivariate analysis of the relationship between the level of cash support ordered and the presence of medical support in orders, in order to quantitatively assess the effects of various types of guidelines on how much medical support obligations reduce cash support obligations; and (2) the collection and analysis of Medicaid data for cases in the case record sample, in order to determine the level of compliance with medical support orders, and the availability of third-party medical insurance information in the Medicaid files. Additional research on the availability of medical insurance among obligors, and on the level of insurance coverage now available to children in custodial families (regardless of the source), would provide key information for judging the cost-effectiveness of medical support enforcement. The National Health Interview Survey and the Current Population Survey are potential data sources for such analyses.

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## V. SERVICES TO NON-AFDC CASES

In passing the Child Support Enforcement Amendments of 1984, Congress wanted to make child support enforcement services available to all parents who need them, regardless of whether they receive AFDC. The Amendments required that all non-AFDC cases who apply to the IV-D program be provided the full range of services; they also required that the program publicize the availability of services, and, for the first time, created federal financial incentives for non-AFDC collections. The Amendments further required that cases which leave AFDC be kept open as non-AFDC IV-D cases, unless the obligees request that services be discontinued. These changes have led to a tremendous growth in the non-AFDC IV-D caseload since 1984. This chapter assesses four major issues pertaining to the provision of non-AFDC services:

- How great is the need for non-AFDC IV-D services?
- Have outcomes for non-AFDC cases improved since the **1984** Amendments?
- Is the full range of IV-D services being provided for non-AFDC cases? Are these services publicized and accessible?
- What problems limit the effectiveness of the non-AFDC IV-D program? How could the program be improved?

As background for addressing these issues, Section A provides an overview of changes in IV-D program policies for non-AFDC cases since **1984**, focusing on the specific policy changes required under the **1984** Amendments. Section B considers the potential need for non-AFDC services among the entire population of child-support-eligible **non-AFDC** mothers, based on data from the **1988 CPS-CSS**. Section C examines trends in child support outcomes for non-AFDC IV-D cases and for all child-support-eligible non-AFDC mothers. Section D presents data on services provided to **non-AFDC** cases, and Section E considers barriers to serving non-AFDC cases effectively, as identified by staff and advocates. Finally, Section F presents conclusions and policy recommendations.

## A. CHANGES IN POLICIES FOR SERVING NON-AFDC CASES UNDER THE 1984 AMENDMENTS

One of the objectives of the 1984 amendments was to strengthen the services available to **non-AFDC** families under the IV-D program. Prior to 1984, federal regulations required IV-D agencies to provide services to non-AFDC families, but there is evidence that some jurisdictions had no significant **non-AFDC** program (Mellgren, 1990). With the 1984 Amendments, Congress required that the full range of child support enforcement services be provided to non-AFDC applicants and changed the structure of incentive payments to the states to encourage agencies to serve non-AFDC families.

Federal **non-AFDC** enforcement policy before 1984 reflected a lack of consensus about whether the program should be available without cost to all who apply or whether it should be targeted on those in need, and about how the program should be financed. When the IV-D program was established in 1975, the law required that services be provided to AFDC cases and to others who applied. Federal matching funds that reimbursed the states for the administrative costs of non-AFDC services were authorized temporarily until 1980 and then made permanent. The policy on whether to charge fees for specific services or to recover costs changed every several years (Mellgren, 1990). Performance-based incentive payments to the states were based on collections solely for **AFDC** cases.

The 1984 Amendments strengthened the status of the program as a universal entitlement. Most importantly, the 1984 legislation mandated that incentive payments to the states would be based on both AFDC and non-AFDC collections. However, the non-AFDC incentive payment for each state was capped at a fixed proportion of the AFDC incentive (starting at 100 percent in the first year, and rising gradually for several years to the current level of 115 percent) in order to ensure the programs had an incentive to continue to serve **AFDC** cases aggressively.’ The Amendments required an application fee for non-AFDC applicants for the first time, but capped the fee at \$25. They also

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‘The federal matching funds for program administrative costs were reduced gradually over the same period. The federal match rate fell from 70 percent in FY82 through 1987 to 68 percent in FY88 and 1989, and then to 66 percent in **FY90**. (It had been 75 percent from FY76 to FY81.)

permitted programs to charge non-AFDC cases fees of no greater than \$25 to submit cases to the federal tax refund offset program. Requiring payments for other specific services--often called cost recovery--remained optional for the states; furthermore, federal regulations allowed that fees and costs be recovered from either the obligee or the obligor.

The 1984 Amendments required that the state IV-D programs continue to serve obligees who leave AFDC as non-AFDC cases (unless the **obligee** requests in writing that services be discontinued). The Amendments also required that the IV-D program continue to provide services to obligees for five post-AFDC months without imposing fees or cost recovery responsibilities on obligees; at the end of the five months, obligees are to be informed of the option to discontinue receiving services. In 1987, the Omnibus Budget Reconciliation Act abolished the five-month transition period, allowing obligees to continue receiving services indefinitely unless they request otherwise; the IV-D agency is still not permitted to charge any application fee or even to require an application from former AFDC cases (although it can impose cost recovery responsibilities).

Finally, the Amendments required that IV-D agencies provide the full range of IV-D services to non-AFDC cases, and that the agencies publicize the availability of these services. Some minor differences between AFDC and non-AFDC cases in the details of the services offered are allowed. The most important example is the federal income tax refund **offset** program, in which non-AFDC cases are required to have a higher level of arrears (\$500 rather than \$150) before they are eligible for the tax refund offset. In addition, non-AFDC cases are permitted to apply for "location only" services, but otherwise must be provided the full range of services available to **AFDC** cases. To publicize the availability of non-AFDC IV-D services, the federal regulations required that each state make at least one public service announcement per calendar quarter.

## B. THE NEED FOR NON-AFDC SERVICES

In examining the potential need for the services provided by the non-AFDC IV-D program, it is important to examine the service needs not just of cases already within the IV-D system, but also

of *potential* IV-D cases. The most recent data source on the child support needs of all potential **non-AFDC** cases is the April 1988 Current Population Survey Child Support Supplement (CPS-CSS), which covers child support received in 1987 for a nationally representative sample of mothers with children whose fathers are divorced or separated from or were never married to the **mother**.<sup>2,3</sup> The respondents can be broken down into **AFDC** mothers (defined as mothers who received AFDC at some time during 1987) and **non-AFDC** mothers.<sup>4</sup> Non-AFDC mothers are broken down into those who reported seeking help from a government agency (a proxy for non-AFDC mothers in the IV-D system) and those who did not. Note, however, that families in the IV-D system are likely to be undercounted by estimates from the CPS of the number of non-AFDC mothers who report seeking help. Many obligees in N-D cases did not seek to become IV-D cases on their own initiative, but were enrolled automatically while on AFDC or through an application-when they filed divorce papers. Furthermore, such unsought participation in the IV-D program is likely to have increased recently,

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<sup>2</sup>We refer to these fathers as ‘noncustodial fathers,’ even though some do have custodial rights (for example, joint custody).

<sup>3</sup>The CPS sample for this analysis was selected according to the following criteria:

*If the mother **was** previously **married**:* (1) her household must contain at least one child who was fathered or had been adopted by the most recent husband, and (2) the divorce or separation must have occurred within the previous 18 years (e.g., for the 1988 CPS, the divorce had to have occurred in 1970 or later) and the marriage must have been after 1900. These criteria excluded about 120 cases from the CPS sample.

*If the mother was never **married**:* her household must contain at least one of her children.

We applied these selection criteria in order not to include the grandmothers of grandchildren in the household who had been divorced, separated, or never married. These criteria create slight differences between our tabulations and published Census tabulations (U.S. Bureau of the Census, 1990). The same criteria were used for selecting samples from the earlier CPS Child Support Supplements, tabulations of which will be discussed below. As in the Census report, we excluded mothers age 14 to 17 from the 1988 sample, because they were not included in earlier years.

<sup>4</sup>The Census Bureau imputes AFDC status for respondents interviewed in April but not March (about 20 percent of the April sample). The CPS is known to undercount AFDC participation, and it is unclear whether the undercount significantly biases results.



since all former AFDC cases must be kept open as non-AFDC cases unless they specifically request otherwise.<sup>5</sup>

Using these definitions, the CPS data indicate that the prevalence of orders and their amounts are much higher for **non-AFDC** families than for AFDC families. However, many non-AFDC families have no orders or have orders for very low amounts (see Table V.1). Among all non-AFDC mothers, 66 percent have child support orders. While this is a much higher rate than the 42 percent among AFDC mothers, it implies that 34 percent of non-AFDC mothers could potentially use IV-D services to obtain support orders, although some may prefer not to have an order or to obtain an order through a private attorney. The average order amount for **non-AFDC** mothers due support was \$249 per month, and 33 percent of non-AFDC mothers had orders of less than \$200 per month.

Non-AFDC mothers who have sought help from a government agency are more likely to have orders than other non-AFDC mothers--fully 78 percent have orders. It is not clear how many obtained their orders after seeking help. The average support order for those with orders is approximately equal for those who sought help and those who did not.

As also shown in Table V.1, noncompliance by the obligor, while less of a problem for **non-AFDC** than for AFDC families, occurs for substantial numbers of all non-AFDC families that are due support. Thirteen percent of non-AFDC custodial mothers were due support but did not receive any child support at all in 1987, and 14 percent received partial payments. Only 26 percent of the **non-AFDC** mothers had orders requiring both cash child support and medical support. Only 18 percent

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<sup>5</sup>**Other** factors also make the CPS-based count of non-AFDC families who report seeking help differ from the total number of IV-D cases. A family measured in the CPS may exist as several IV-D cases--for example, if the **children** in the family have several different fathers. Thus, it is difficult to use the CPS data to estimate the percent of potential cases being served by the IV-D program either at the national or state level. Mellgren (1990) has derived some preliminary estimates of program penetration rates that attempt to take these factors into account.

TABLE V.1  
CHILD SUPPORT ORDERS AND COLLECTIONS FOR MOTHERS WITH  
CHILDREN OF NONCUSTODIAL FATHERS  
(1987)

	Non-AFDC Mothers				
	Sought Agency Help	Did Not Seek Help	Total	AFDC Mothers	Total
percent of Mothers with Children of Noncustodial Fathers					
Mothers with Children of Noncustodial Fathers Who Have Support Orders <sup>a</sup>	78 %	62 %	66 %	42 %	60 %
Amount of Support Owed per Month					
Not due support in 1987 <sup>b</sup>	27 %	47 %	42 %	64 %	48 %
\$1-\$200	44	30	33	26	31
\$201-\$400	22	17	18	8	15
\$401+	8	7	7	2	6
Average Monthly Support Order (for Those Due Support)	\$244	\$252	\$249	\$162	\$233
Mothers with:					
No child support due in 1987 <sup>b</sup>	27 %	47 %	42 %	64 %	48 %
Child support due with:					
No payment	24	9	13	11	13
Partial payment	25	10	14	12	13
Full payment	25	34	32	12	26
Mothers With Orders That Include Health Insurance	27 %	26 %	26 %	8 %	21 %
Mothers With Orders that Include Health Insurance and for Whom Non-custodial Fathers Provide Health Insurance for the Children	11 %	21 %	18 %	5 %	15 %
Number of Mothers with Children of Noncustodial Fathers (Thousands)					
Mothers with Children of Noncustodial Fathers Who Have Support Orders <sup>a</sup>	1,380	3,200	4,580	1,040	5,620
Amount of Support Owed per Month					
Not due support in 1987 <sup>b</sup>	470	2,420	2,899	1,600	4,496
\$1-\$200	780	1,530	2,310	650	2,950
\$201-\$400	380	860	1,250	190	1,439
\$401+	130	350	480	50	540
Mothers with:					
No child support due in 1987 <sup>b</sup>	470	2,420	2,890	1,600	4,490
Child support due with:					
No payment	420	480	900	280	1,180
Partial payment	440	510	950	310	1,260
Full payment	440	1,750	2,180	310	2,490
Mothers With Orders That Include Health Insurance	480	1,330	1,810	200	2,010

TABLE V.1 (continued)

	Non-AFDC Mothers			AFDC Mothers	Total
	Sought Agency Help	Did Not Seek Help	Total		
Mothers With Orders that Include Health Insurance and for Whom Non-custodial Fathers Provide Health Insurance for the Children	190	<b>1,080</b>	1,270	110	<b>1,380</b>
Number of Mothers with Children from Noncustodial Fathers					
Weighted Population Estimate (Thousands)	1,767	5,156	6,924	2,491	9,415
Unweighted Sample Size	776	<b>2,263</b>	3,039	1,036	4,075

SOURCE: April 1988 Current Population Survey.

NOTE: Numbers have been rounded to the nearest ten thousand.

<sup>a</sup> Order status is as of April 1988. All other dates in **this** table pertain to calendar year 1987.

<sup>b</sup> This line includes both mothers without orders and mothers with orders not due support in 1987. Mothers may have support orders but not have been due support in 1987 if, for example, they received their award in 1988, or if all of their children are over 18 and support was ordered only until the children reached age 18.

of non-AFDC mothers both had medical **support** orders and were actually receiving health insurance support for their **children**.<sup>6</sup>

Those non-AFDC mothers who have sought IV-D agency help are more likely than other **non-AFDC** mothers to need enforcement assistance. Twenty-four (24) percent of such mothers received no payments in 1987, while 25 percent received partial payments. Compliance with medical support orders is also more of a problem for those non-AFDC mothers who have sought agency help.

While some non-AFDC mothers without orders have good reasons for not pursuing orders, the data indicate that more than half wanted child support (Table V.2). Fifteen (15) percent of mothers without orders offer reasons that suggest that they may not need to pursue services; they indicate either that a final support agreement is pending (5 percent), that another financial agreement was made (7 percent), or that the father lives in the household (3 percent). Twenty-seven (27) percent of mothers without orders claim not to want an order--they may be women whose income is adequate or women who do not want any contact with the father. It is also possible that some of these women lack information or have misinformation about IV-D services or about the consequences of having a child support order.

About 58 percent of the 2.3 million non-AFDC mothers without orders would like a support order, and it seems likely that IV-D services could be of use to this group. However, 15 percent state they have done nothing to pursue an award. Only 17 percent (390,000) of mothers without orders have sought agency help. Most of those who sought help (76 percent) report they still want an award, but, surprisingly, 19 percent report they have not pursued an award. This figure may reflect applicants who gave up on the process after an initial inquiry.

Among mothers with awards but not receiving regular payments (43 percent of all mothers with orders), the most commonly cited reason was that the father refused to pay (Table V.3). A **sub-**

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<sup>6</sup>In some of the cases where the father does not provide medical support, he may not have access to coverage at a reasonable cost.

TABLE V.2

## REASONS GIVEN BY NON-AFDC MOTHERS FOR NOT HAVING A SUPPORT ORDER

Reasons for No Support Order	Non-AFDC Mothers Without Orders		
	Sought Agency Help	Did Not Seek Help	Total
Percent of Mothers Who:			
May Not Need <b>Services</b>	9 %	17 %	15 %
Final agreement pending	6	<b>5</b>	<b>5</b>
Other financial agreement made	2	<b>8</b>	7
Father lives in household	1	4	3
Did Not Want Child Support	1.5 %	29 %	27 %
Wanted Child Support But:	76 %	54 %	58 %
Did not pursue an award	19	14	15
Father financially unable to pay	19	11	12
Unable to locate father	3	2	2
Unable to <b>establish</b> paternity	<b>20</b>	14	15
Other	16	12	13
Number of Mothers (in Thousands) Who:			
May Not Need Services	35	335	370
Final agreement pending	24	%	120
Other financial agreement made	8	164	172
Father lives in household	3	75	78
Did Not Want Child Support	58	569	627
Wanted Child Support But:	297	1,055	1,351
Did not <del>pursue</del> <sup>not pursue</sup> award	73	279	352
Unable to locate father	75	215	289
Unable to establish paternity	11	35	45
Father financially unable to pay	76	284	360
Other	61	243	304
Number of Non-AFDC Mothers with No Support Order:			
Weighted population estimate (thousands)	390	1,958	2,348
Unweighted sample size	161	855	1,016

SOURCE April 1988 Current Population Survey.

TABLE V.3

REASONS FOR NOT RECEIVING PAYMENTS REGULARLY REPORTED BY  
NON-AFDC MOTHERS WITH ORDERS FOR CURRENT SUPPORT

	Non-AFDC Mothers With Orders		
	Sought Agency Help	Did Not Seek Help	Total
percent of Mothers			
Non-AFDC Mothers With Orders for Current Support Not Receiving Regular <b>Payments<sup>a</sup></b>	67 %	32 %	43 %
Reasons Not Receiving Payments Regularly			
The father refused to pay	48 %	16 %	27 %
Unable to locate father	9	4	5
Other reason	10	12	11
Number of <b>Mothers (in Thousands)</b>			
Non-AFDC Mothers With Orders for Current Support Not Receiving Regular <b>Payments<sup>a</sup></b>	854	870	1,724
Reasons Not Receiving Payments Regularly			
The father refused to pay	607	447	1,054
Unable to locate father	119	95	214
Other reason	128	328	456
Number of Non-AFDC Mothers With <b>Orders</b> for Current <b>Support</b>			
Weighted population estimate (thousands)	1,269	<b>2,688</b>	3,957
Unweighted sample size	578	1,207	1,785

SOURCE April 1988 Current Population **Survey**.

<sup>a</sup> This group includes mothers receiving no payments at all. An additional group of mothers (5% of those due support) received regular but less than full payments.

stantial number of mothers also cited problems with locating the father. Most of these mothers could potentially benefit from IV-D services.

Among non-AFDC mothers with orders who sought agency help, 67 percent reported receiving irregular payments, while 33 percent received regular payments, which suggests the IV-D agency had been of help to them. Of the 854,000 still needing enforcement help, most (48 of 67 percent) cited noncompliance by the obligor as the reason.

In summary, the potential need for non-AFDC services remains large. Among all non-AFDC mothers eligible for child support, 34 percent (about 2.3 million) did not have a support order. Fifty-eight percent of those without orders (1.4 million or about 20 percent of all non-AFDC mothers) would like a support order. In addition, 27 percent of all non-AFDC mothers (1.9 million) were not receiving full payments on existing orders. Of course, the IV-D system is only able to serve those non-AFDC mothers who apply for help or who were formerly on AFDC. Not all of those who need services are among the 1.8 million **non-AFDC** mothers who reported having contacted an agency for help at some time in the past.

Among those who reported seeking IV-D agency help, the proportion who reported needing services is larger than among those who did not seek help. While only 22 percent of those who sought help needed orders, fully 49 percent had orders but received less than the full amount. These groups include about 1.3 million families who have contacted IV-D agencies for services and need additional help with order establishment or enforcement.

### C. TRENDS IN CHILD SUPPORT OUTCOMES FOR NON-AFDC CASES

In this section, we present data on trends over time in child support outcomes for non-AFDC IV-D cases, and for the entire child-support-eligible **non-AFDC** population. Changes between the period before and after the 1984 Amendments were implemented cannot be interpreted directly as program impacts, since a range of **factors** that affect program outcomes have changed over this

period. However, these trends can be viewed as broadly **illustrative** of the performance of the IV-D program.

As discussed in detail in the following subsections, OCSE program data indicate that in the face of a huge growth in caseloads--a 150 percent increase between fiscal years 1983 and 1989--collections per **non-AFDC** case remained stable in real terms, while collections per AFDC case increased slightly. While the growth in the caseload is due at least partly to the 1984 Amendments, we cannot determine the extent to which trends in collection performance reflect the direct effects of the Amendments, changes in the characteristics of the caseload (which may be indirect effects of the Amendments), or other factors such as changes in state child support laws.

When we examine the broader population of non-AFDC families who might potentially use **IV-D** services (based on the biannual CPS Child Support Supplements), we find that the proportion of cases with orders and collections increased modestly in 1985 and 1987, the most recent years available, after declines in the early 1980s. The inflation-adjusted levels of awards and payments also increased in 1987, after declining over the period 1978 to 1985. These increases may reflect the impacts of the 1984 Amendments, although other factors, such as changes in the economy or in the characteristics of non-AFDC mothers, may also affect the trends. These increases are larger for the subgroup of non-AFDC mothers who report seeking help from a government agency, which strengthens the case that IV-D services have become more effective as a result of the Amendments.

#### 1. Trends in Child Support Outcomes for Cases in the IV-D Program

One important change that clearly reflects, at least in part, the effects of the 1984 Amendments is a dramatic increase in the size of the non-AFDC IV-D caseload. According to OCSE program data, the number of non-AFDC cases nearly doubled **from** 2.16 million in FY85, to 4.26 million in



FY89, growing at a fairly steady rate of 15 to 20 percent per year (Figure V.1 and Appendix Table C.16).<sup>7</sup>

Non-AFDC IV-D collections, when adjusted for inflation using the Consumer Price Index, have grown at approximately the same rate as the caseload (Figure V.2). Thus, in the face of a huge growth in the caseload, collections per non-AFDC case have been largely stable over time, as has the proportion of non-AFDC cases with any collections. This suggests considerable success on the part of the IV-D program in accommodating this tremendous growth in non-AFDC cases. Furthermore, at the same time that IV-D programs were increasing services to **non-AFDC cases**, real collections per **AFDC case** increased by 12 percent (Appendix Table C.16).

Reported expenditures for non-AFDC IV-D cases nearly doubled in fiscal year 1986, the year in which most provisions of the 1984 Amendments were implemented, and they have increased at a more modest rate since then (Figure V.3).<sup>8</sup> Expenditures per case took a corresponding huge jump, and then declined slightly. In part, the initial jump in expenditures may reflect the one-time costs of implementing new programs, as well as the effects of the new federal incentive payments for non-AFDC collections. Changes in reporting practices may also be a factor. In the past few years, most states have reached the cap on the non-AFDC incentive payment, which may be motivating states to slow the growth of non-AFDC program expenditures. However, the allocation of reported expenditures between AFDC and non-AFDC cases is only approximate in some states, so that these data should be interpreted with caution.

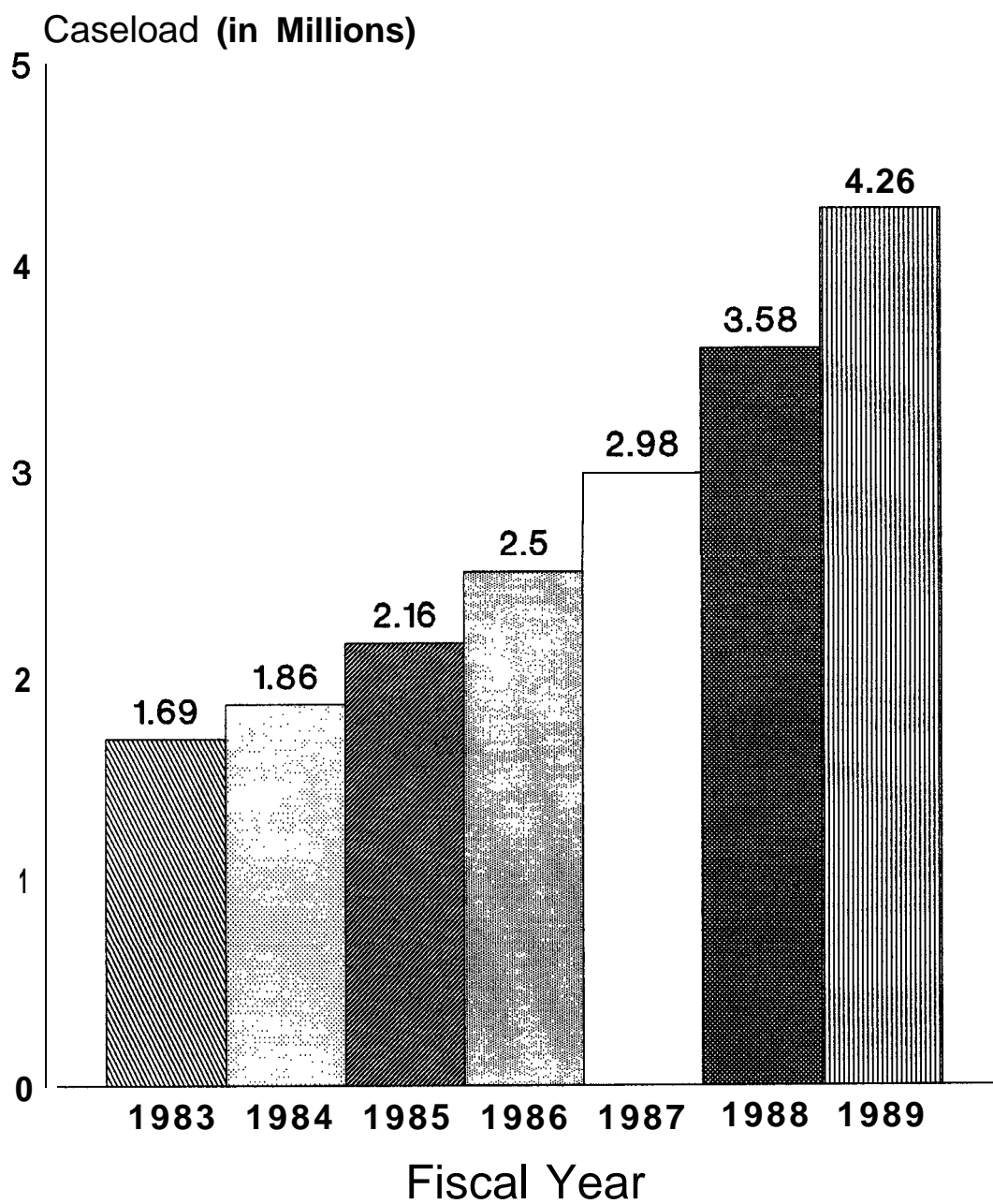
While substantial progress in serving non-AFDC cases has been made, according to FY89 data (the most recent available), only 29 percent of non-AFDC IV-D cases had any collections, and the

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<sup>7</sup>OCSE data do not permit us to determine the proportion of this growth that can be attributed to former AFDC cases, and do not indicate what proportion of the cases that have been newly included as IV-D cases required or received substantial services.

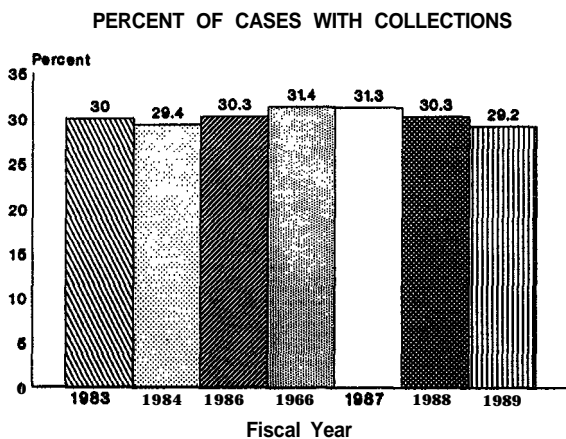
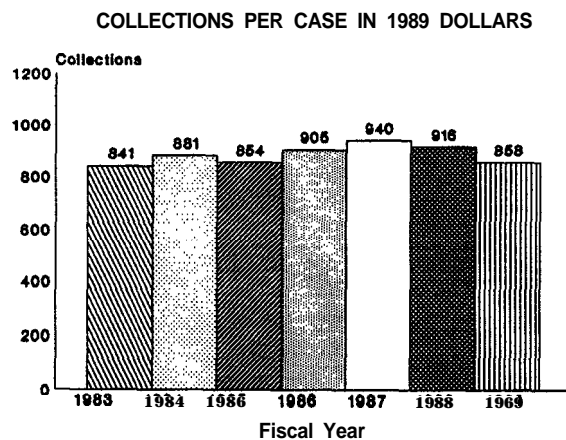
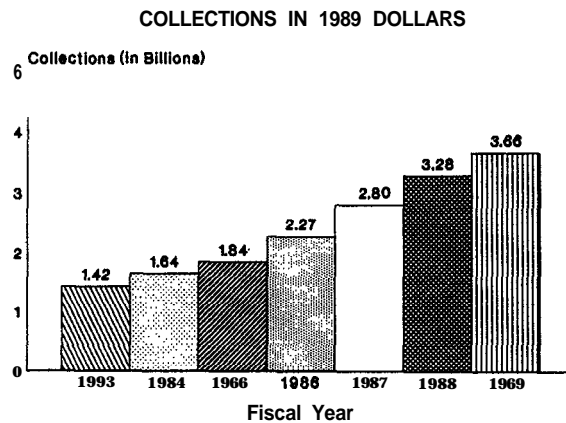
<sup>8</sup>Expenditures on AFDC cases have grown at a slower rate than have expenditures on non-AFDC cases (Appendix Table C.16).

**FIGURE V.I**  
**GROWTH OF NON-AFDC IV-D CASELOAD**



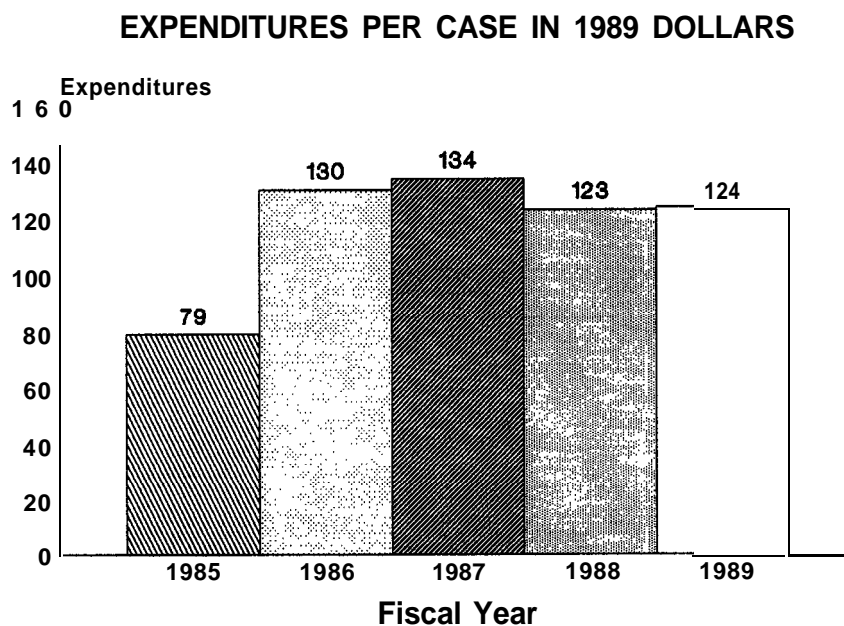
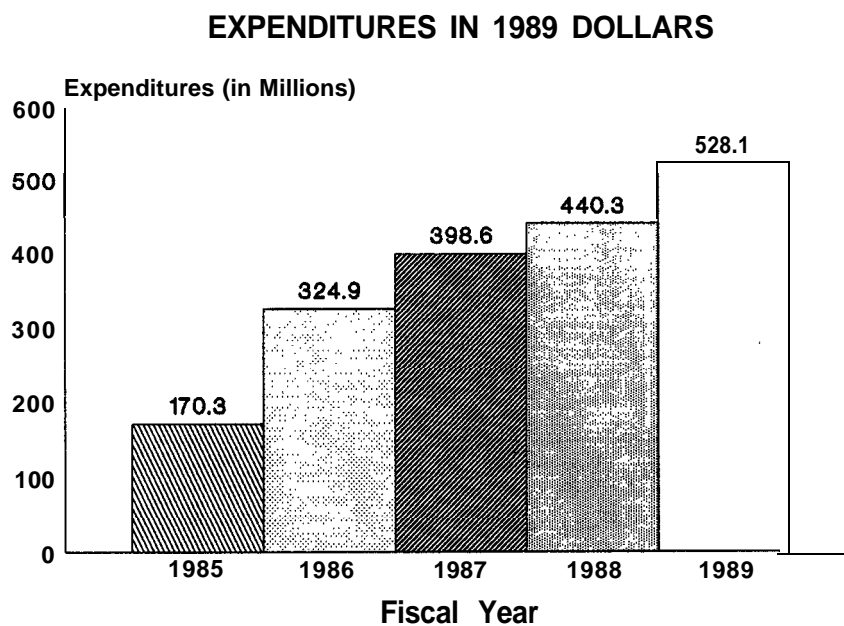
SOURCE: OCSE (1988, 1990).

# FIGURE V.2 TRENDS IN NON-AFDC IV-D COLLECTIONS



SOURCE: OCSE (1988,1990).

## FIGURE V.3 TRENDS IN NON-AFDC IV-D EXPENDITURES



SOURCE: OCSE (1988, 1990).

level of collections per case averaged only \$858 dollars per year for all cases, including cases with no collections in the average, or \$2,934 per year for cases with collections.

## 2. Trends in Child Support Outcomes for All Potential Non-AFDC Cases

As noted earlier, one of the major effects of the 1984 Amendments on non-AFDC cases was to increase the proportion of such cases that entered IV-D program caseloads. The growth in caseloads makes it difficult to interpret changes in outcomes based on the N-D program data, because the characteristics of the IV-D caseload may have changed over time. In this section, we assess trends in child support outcomes for all families who **could potentially** be **non-AFDC** IV-D cases, using data from the CPS-CSS, and compare these trends to trends for AFDC families. Such an assessment captures the combined effect of increases in program participation and changes in program effectiveness. We also examine trends for the subgroup of non-AFDC families who report that they had contacted a government agency for help with child support, a proxy for families in the IV-D system, in order to assess whether trends differ for this **group**.<sup>9</sup>

Several caveats should be noted in examining these trends: (1) these data are only available through 1987, a year in which implementation of the 1984 Amendments was still very recent; (2) the non-AFDC mothers who report seeking help do not correspond precisely to non-AFDC IV-D cases, as discussed above; and (3) factors other than changes due to the 1984 Amendments will affect these trends as well, including changes in the characteristics of the populations at risk and changes in the economy.

The biannual CPS Child Support Supplements for the period from 1978 to 1987 show that the proportion of non-AFDC mothers who are due support, the proportion of those who are due support and received payments, and the proportion who received full payments all increased slightly in 1985

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<sup>9</sup>**Because** the question on seeking help was changed in the 1988 survey, these data are not strictly comparable to the data from earlier years (see Section D). We judge that the likely impact of the question change is small.

and 1987, after declining from 1978 to 1983 (Table V.4A). The average amount received for those receiving payments increased in 1987 (in real terms). Because the non-AFDC population has grown modestly over time, the numbers of cases due support, receiving payments, and receiving full payments grew at a slightly faster pace than the proportions in 1985 and 1987, after remaining stable in the early 1980s (Table V.4B). Returning to Table V.4A, trends in the proportions with orders and receiving payments are even more positive for non-AFDC mothers who reported seeking help, while trends for non-AFDC mothers who did not seek help show smaller increases. The increase in the average level of payments for those receiving payments between 1985 and 1987 is also relatively large for the group who sought agency help--payments increased from \$1,729 to \$2,299, a jump of 33 percent. Furthermore, proportionately more non-AFDC mothers who sought agency help achieved positive outcomes during the same period (from 1985 to 1987) in which the number of mothers who sought help grew by 50 percent.

For AFDC cases, the proportion due support and the proportion receiving some payment also increased in 1987 (Table V.4A). Because the AFDC population increased from 1985 to 1987, the numbers of AFDC families with orders grew from 810,000 to 1,040,000 (a 28 percent increase) and the number receiving some child support grew from 410,000 to 600,000 (a 46 percent increase) (Table V.4B).

These trends may be early signs that the 1984 Amendments are having positive effects. They are especially encouraging, given the continuing growth in the population at risk, and the fact that the proportion of child-support-eligible mothers who were never married--a group that is especially difficult to serve--increased from 23 to 28 percent of all mothers in 1987 (U.S. Bureau of the Census, 1990, Table A).<sup>10</sup> However, these trends may reflect other factors than the 1984 Amendments.

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<sup>10</sup>Trends look even more encouraging for the sample of mothers below the poverty level (see Appendix Table C.17). The proportions with awards and the proportions receiving payments among poverty-level mothers have increased steadily, with especially large increases between 1985 and 1987.

TABLE V.4A

TRENDS OVER TIME IN KEY INDICATORS OF CHILD SUPPORT  
FOR MOTHERS WITH CHILDREN OF NONCUSTODIAL FATHERS,  
BY AFDC STATUS AND CONTACT WITH AGENCY  
(Percentages and Means)

	1978	1981	1983	1985	1987 <sup>a</sup>
<b>Non-AFDC Mothers</b>					
Percent with Child Support <b>Award<sup>b</sup></b>	67 %	67 %	63 %	69 %	66 %
Percent Supposed to Receive Payments	56 %	56 %	52 %	57 %	58 %
Percent with Payments	42 %	42 %	41 %	43 %	45 %
Full	29	27	28	29	32
Partial	13	15	14	15	13
Average Annual Amount of Award (among those supposed to receive payments) (1987 dollars)	\$3,499	\$3,138	\$2,983	\$2,725	\$2,990
Average Annual Payment (for those receiving payment) (1987 dollars)	\$3,148	\$2,756	\$2,761	\$2,449	<b>\$2,720</b>
Number of Non-AFDC Mothers with Children of Noncustodial Fathers (thousands)	4,997	6,083	6,499	6,582	6,924
<b>Non-AFDC Mothers Who Seek Help</b>					
Percent with Child Support <b>Award<sup>b</sup></b>	n.a.	78 %	72 %	83 %	78 %
Percent Supposed to Receive Payments	n.a.	69 %	63 %	74 %	73 %
Percent with Payments	n.a.	43 %	42 %	46 %	50 %
Full	<b>n.a.</b>	17	15	18	25
Partial	n.a.	27	26	28	25
Average Annual Amount of Award (among those supposed to receive payments) (1987 dollars)	n.a.	\$2,578	\$2,625	\$2,533	\$2,923
Average Annual Payment (for those receiving payment) (1987 dollars)	n.a.	\$1,869	\$1,783	\$1,729	\$2,299
<b>Number</b> of Non-AFDC Mothers with Children of Noncustodial Fathers Who Seek Help (thousands)	<b>n.a.</b>	1,192	1,183	<b>1,303</b>	1,766
<b>Non-AFDC Mothers Who Do Not Seek Help</b>					
Percent with Child Support <b>Award<sup>b</sup></b>	<b>n.a.</b>	64 %	61 %	66 %	62 %
Percent Supposed to Receive Payments	n.a.	52 %	49 %	53 %	53 %
Percent with Payments	<b>n.a.</b>	42 %	41 %	43 %	44 %
Full	n.a.	30	30	31	34
Partial	<b>n.a.</b>	12	11	11	10
Average Annual Amount of Award (among those supposed to receive payments) (1987 dollars)	<b>n.a.</b>	\$3,316	\$3,088	\$2,792	\$3,022
Average Annual Payment (for those <b>receiving</b> payment) (1987 dollars)	n.a.	\$2,981	\$2,984	\$2,640	\$2,857

TABLE V.4A (continued)

	1978	1981	1983	1985	1987 <sup>a</sup>
Number of Non-AFDC Mothers with Children of Noncustodial Fathers Who Do Not Seek <b>Help</b> (thousands)	n.a.	4,891	5,316	<b>5,279</b>	5,158
<b>AFDC Mothers</b>					
Percent with Child Support <b>Award</b> <sup>b</sup>	42 %	38 %	40 %	<b>36 %</b>	42 %
Percent Supposed to Receive Payments	35 %	39 %	30 %	<b>29 %</b>	36 %
Percent with Payments	<b>21 %</b>	<b>16 %</b>	18 %	18 %	24 %
Full	14	11	11	11	12
Partial	7	5	7	7	12
Average Annual Amount of Award (among those supposed to receive payment) (1987 dollars)	32,852	\$2,537	\$2,060	\$2,074	\$1,942
Average Annual Payment (for those receiving payment) (1987 dollars)	\$2,357	\$2,029	\$1,746	\$1,628	\$1,318
Number of AFDC Mothers with Children of Noncustodial Fathers (thousands)	2,097	<b>2,304</b>	2,191	<b>2,226</b>	2,491
<b>All Mothers</b>					
Percent with Child Support <b>Award</b> <sup>b</sup>	60 %	<b>59 %</b>	57 %	<b>61 %</b>	68 %
Percent Supposed to Receive Payments	<b>50 %</b>	<b>49 %</b>	46 %	<b>50 %</b>	52 %
Percent with Payments	36 %	35 %	35 %	37 %	40 %
Full	24	23	23	24	27
Partial	12	12	12	13	13
Average Annual Amount of Award (among those supposed to receive payments) (1987 dollars)	<b>\$3,364</b>	53,304	\$2,832	\$2,629	<b>\$2,801</b>
Average Annual Payment (for those receiving payment) (1987 dollars)	\$3,011	\$2,663	\$2,631	32,346	\$2,492
Number of Mothers with Children of Noncustodial Fathers (thousands)	7,094	8,387	8,698	8,888	9,415

SOURCE: April Current Population **Surveys** from 1979, 1982, 1984, 1986, and 1988.

NOTE: Dollar amounts are in real 1987 **dollars**, adjusted using the CPI-U-XI series. See U.S. Bureau of the Census (1990), Appendix B.

<sup>a</sup>The figures presented for 1987 were tabulated on the basis of the public-use **file** created from the March and **April** 1988 Current Population Surveys. Data on the **dollar** amounts of **child** support owed and received on this tape are not consistent with the published **figures** in the Census Bureau report, "Child Support and **Alimony**: 1987. **OCSE** is working with the **Census** Bureau to **resolve** the discrepancy.

<sup>b</sup>**Award** status is as of April 1979, 1982, 1984, 1986 and 1988. **All** other data refer to the prior calendar year.

n.a. = not available.



TABLE V.4B

TRENDS OVER TIME IN KEY INDICATORS OF CHILD SUPPORT  
FOR MOTHERS **WITH** CHILDREN OF NONCUSTODIAL FATHERS,  
BY AFDC STATUS AND CONTACT WITH AGENCY  
(Numbers in Thousands)

	1978	1981	1983	1985	1987 <sup>a</sup>
<b>Non-AFDC Mothers</b>					
Number with Child Support <b>Award<sup>b</sup></b>	3,350	<b>4,080</b>	4,100	4,550	4,580
Number Supposed to Receive Payments	<b>2,770</b>	3,380	3,370	3,760	4,040
Number with Payments	2,100	2,550	2,670	2,850	3,110
Full	1,440	1,650	1,790	1,890	2,180
Partial	660	900	880	960	930
Number of <b>Non-AFDC</b> Mothers with Children of Noncustodial Fathers	4,997	6,083	6,499	6,582	6,924
<b>Non-AFDC Mothers Who Seek Help</b>					
Number with Child Support <b>Award<sup>b</sup></b>	<b>n.a.</b>	930	860	1,080	1,380
Number Supposed to Receive Payments	<b>n.a.</b>	<b>820</b>	750	960	1,290
Number with Payments	<b>n.a.</b>	<b>520</b>	490	600	880
Full	<b>n.a.</b>	<b>200</b>	180	240	440
Partial	<b>n.a.</b>	320	310	360	440
Number of Non-AFDC Mothers with Children of Noncustodial Fathers Who Seek Help	<b>n.a.</b>	1,192	1,183	1,303	1,766
<b>Non-AFDC Mothers Who Do Not Seek Help</b>					
Number with Child Support <b>Award<sup>b</sup></b>	<b>n.a.</b>	3,160	3,250	3,480	3,200
Number Supposed to Receive Payments	<b>n.a.</b>	2,560	2,620	2,810	2,740
Number with Payments	<b>n.a.</b>	2,040	2,180	2,250	2,260
Full	<b>n.a.</b>	1,450	1,620	<b>1,660</b>	1,750
Partial	<b>n.a.</b>	590	570	600	510
Number of Non-AFDC Mothers <b>with</b> Children of Noncustodial Fathers Who Do Not Seek Help	<b>n.a.</b>	4,891	5,316	5,279	5,158
<b>AFDC Mothers</b>					
Number with Child Support <b>Award<sup>b</sup></b>	880	880	868	810	1,040
Number Supposed to Receive Payments	740	700	657	650	890
Number with Payments	440	<b>380</b>	390	410	600
Full	<b>280</b>	<b>250</b>	244	240	310
Partial	150	<b>120</b>	149	160	300
Number of AFDC Mothers with Children of Noncustodial Fathers	2,097	2,304	2,191	2,226	2,491

TABLE V.4B (continued)

	1978	1981	1983	1985	1987 <sup>a</sup>
<b>All Mothers</b>					
Number with Child Support Award <sup>b</sup>	4,230	5,000	4,970	5,360	5,628
Number Supposed to Receive Payments	3,510	4,080	4,028	4,410	4,920
Number with Payments	2,540	2,940	3,070	3,260	3,728
Full	1,730	1,910	2,040	2,140	2,508
Partial	810	1,038	1,030	1,120	1,220
Number of Mothers with Children of Noncustodial Fathers	7,094	8,387	8,698	8,888	9,415

SOURCE: April Current Population Surveys from 1979, 1982, 1984, 1986, and 1988.

NOTE: Dollar amounts are in real 1987 dollars, adjusted using the CPI-U-X1 series. See U.S. Bureau of the Census (1990), Appendix B. All numbers have been rounded to the nearest ten thousand, except for totals, which are rounded to the nearest thousand.

<sup>a</sup>The figures presented for 1987 were tabulated on the basis of the public-use file created from the March and April 1988 Current Population Surveys. Data on the dollar amounts of child support owed and received on this tape are not consistent with the published figures in the Census Bureau report, "Child Support and Alimony: 1987." OCSE is working with the Census Bureau to resolve the discrepancy.

<sup>b</sup>Award status is as of April 1979, 1982, 1984, 1986 and 1988. All other data refer to the prior calendar year.

n.a. = not available.

In particular, the growth in the number of **non-AFDC** obligees seeking help in 1987 may have been associated with changes in the average characteristics of this group.”

The average level of child support awards for non-AFDC cases who were supposed to receive payment increased slightly (in real terms) in 1987, after a steady decline from 1978 to 1985. Again, the increase was somewhat larger among non-AFDC families who sought help. Award levels are usually set through the courts and are not directly under the control of the IV-D system. Nonetheless, the increase in award levels in 1987 may reflect the impacts of provisions of the 1984 Amendments designed to encourage the use of guidelines to set support amounts. No comparable increase in award levels occurred for AFDC cases; in fact, the average award level for those with awards continued to decline throughout the period from 1978 to 1987.<sup>12</sup>

In the major study to date which attempts to sort out factors underlying the trends in the CPS child support data using multivariate analysis, Robins (1989) found that many factors interact to produce observed trends in awards. He attributed most of the decline in the level of awards from 1978 to 1985 to the rising earnings of females relative to males, since awards are usually based on the incomes of both the obligee and the obligor. Demographic changes in the group who received awards (especially the greater number of never-married mothers with awards) were also partly responsible for the decline in the average award amount. High inflation contributed to the decline in the real value of awards in the early 1980s, but the low inflation of the mid-1980s actually helped increase the real value of awards over time, as women with newer orders entered the relevant population, and women with older orders left it. The IV-D program was estimated to have had a slight positive effect on award levels, but Robins’ estimate is based on a very crude measure of IV-D services—a time trend

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<sup>11</sup>The fact that improvements in outcomes are found for non-AFDC families who reported seeking help from a government agency, but that outcomes were stable for non-AFDC IV-D cases in the OCSE program data may reflect differences between the samples noted above, as well as differences between self-report data and program data.

<sup>12</sup>The CPS data on payments and award levels for **AFDC** mothers are likely to be less reliable than the data for non-AFDC mothers, because **AFDC** mothers do not receive all of the child support collected on their behalf.

indicating the years of “potential exposure” to the IV-D program (i.e., years since 1975) after the initial award.<sup>13</sup>

#### D. SERVICES PROVIDED TO NON-AFDC CASES

This section relies on the CPS Child Support Supplement, the staff surveys, the advocacy group interviews, and the case records to examine the implementation of the provisions of the Amendments in terms of the services provided to non-AFDC clients and the resources devoted to those services. Specifically, the first three subsections look at trends in the use of child support enforcement services by non-AFDC mothers, local office procedures for serving non-AFDC cases, and the adequacy of resources available for non-AFDC cases. The last two subsections present the views of local advocacy groups for custodial parents and children on the accessibility and adequacy of non-AFDC services and summarize case-records data on the level of services received by non-AFDC cases in our sample, respectively.

##### 1. CPS Data on Services Provided and Who Seeks Services

Since 1982, the CPS Child Support Supplement has collected data on the proportion of **non-AFDC** custodial mothers who seek help from IV-D agencies, the proportion who receive help, and the types of help received. The data on the proportions who seek help yield some insight into the success of **IV-D** program outreach, while the data on the proportions who receive help indicate the effectiveness of case management, which is likely to be positively related to collections.

The CPS data have three important limitations. First, as discussed above, families in the IV-D system are likely to be undercounted if we consider only women who report seeking help in the CPS. Second, the CPS Child Support Supplement collects data only on the types of help received, not on the types of help needed when the case applies for services. Third, two changes in the question

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<sup>13</sup>Robins’ study covered only the period between 1978 and 1985, which was before the 1984 Amendments went into effect. While the 1987 data suggest a slight improvement in award levels for the total sample (which could plausibly be due to the increase application of child support guidelines mandated by the 1984 Amendments), no extension of Robins’ study to 1987 is yet available.

wording of the 1988 survey may influence the data: (1) the question on seeking help was changed in 1988 to refer to help from a “government agency” rather than to help from a “child support enforcement agency,” and (2) the placement of the “other” category in the question on types of help that were received changed, making it unclear whether “other” has the same meaning as it did in the past.<sup>14</sup> Nonetheless, the CPS provides data on trends in services for a population that at least approximates the population of non-AFDC families served by the IV-D system.

a. Trends in the Proportions Who Seek and Receive Help

The CPS data suggest that the number of non-AFDC mothers who sought and received services in 1987 increased substantially relative to earlier years (Table V.5). The proportion of non-AFDC mothers who reported seeking help with child support was stable from 1981 to 1985 at about 20 percent, and then increased in 1987 to 26 percent. The proportion who reported seeking *and* receiving help increased from 10 percent in 1981 to 17 percent in 1987 (an increase from 51 to 66 percent among those who contacted an agency). While the question changes on the 1988 survey may account for part of the increase, it seems unlikely that, by themselves, they account for such large changes.

The proportions of the sample who reported each specific type of help also increased from 1985 to 1987. This was particularly the case for paternity establishment services, which increased by more than a factor of 10 from 0.1 percent of **non-AFDC** mothers to almost 2 percent (or from 17,000 mothers to 198,000). Other services increased approximately in proportion to the overall increase in the proportion who received help.

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<sup>14</sup>In previous years, respondents were asked whether they received help and, if so, the types of help they received. “Other” was included in the list of types of help received. In 1988, the questions were combined. Respondents were first asked whether they had received a number of specific types of help, then asked whether they had not received help, and then asked whether “other” applied.

TABLE V.5  
CHANGES OVER TIME IN **CONTACTS** WITH IV-D  
AGENCY BY NON-AFDC MOTHERS  
(All Percentages Are Based on Non-AFDC Mothers  
with Children of Noncustodial Fathers)

	1981	1983	1985	1987
<b>Percent of Non-AFDC Mothers</b>				
Non-AFDC Mothers Who Contacted Agency for Enforcement <b>Help</b>	20 %	18 %	28%	26 % <sup>a</sup>
Non-AFDC Mothers Who Reported Receiving Help from the Agency	10 %	11 %	11 %	17 % <sup>b</sup>
<b>Types of Help Received</b>				
Locating the father	2.6 %	2.6 %	2.6 %	3.4 %
<b>Establishing</b> paternity	0.2	0.4	0.1	1.9
Establishing support obligation	2.0	2.2	2.8	4.1
Enforcing support obligation	5.0	5.2	5.4	7.3
Obtaining collection	3.0	2.6	3.2	4.9
Other	1.6	1.8	1.4	2.3 <sup>b</sup>
<b>Number of Non-AFDC Mothers (Thousands)</b>				
Non-AFDC Mothers Who Contacted Agency for Enforcement Help	1,192	1,183	1,303	1,766
Non-AFDC Mothers Who Reported Receiving Help from the Agency	610	692	708	1,151
<b>Types of Help Received</b>				
Locating the father	311	290	310	364
Establishing paternity	23	49	17	198
Establishing support obligation	240	241	333	440
Enforcing support <b>obligation</b>	595	581	650	771
Obtaining collection	352	<b>290</b>	391	516
Other	1,910	194	165	247
Number of Non-AFDC Mothers with Children of Noncustodial Fathers (Thousands)	6,983	6,499	6,582	6,924

SOURCE: April Current Population Surveys, **1982, 1984, 1986**, and 1988.

<sup>a</sup>Prior to 1988, respondents were asked whether they had contacted a "child support enforcement agency" for help. In 1988, respondents were asked if they had contacted a "government agency." Thus, the responses are not fully comparable-the increase for 1987 may be due partly to the question change.

<sup>b</sup>**Changes** in the question wording in 1988 imply that **these** figures are not **strictly** comparable to **previous** years. In 1988, the category "other" comes after "no help received." We interpret "**other**" to mean "other types of help" but **this** may overstate the proportion who received help. In addition, the 1988 data may also be affected by the change from "child support enforcement agency" to "government agency!"

b. The Characteristics of Non-AFDC Mothers Who Seek Help

Mellgren (1990) found that the characteristics of non-AFDC mothers who sought IV-D services (“users”) were very similar to those of non-AFDC mothers who did not seek help (“non-users”), and that both groups were much less disadvantaged than AFDC mothers. For example, 39 percent of the non-AFDC users were below 150 percent of the poverty level, compared with 35 percent of non-AFDC non-users and 95 percent of AFDC mothers (Appendix Table C.18). These figures suggest that while the IV-D program does not disproportionately serve poor non-AFDC mothers, such mothers nonetheless constitute a substantial proportion of those served.

Non-AFDC users without child support awards tend to be much more disadvantaged than those with awards—they are more likely to be black, to be young, to have never been married, and to have low incomes (Appendix Table C.19). However, mothers with no awards are a lower proportion of all users than they are of all non-AFDC mothers. If it is desired to target non-AFDC services to those most in need, greater emphasis needs to be placed on services for non-AFDC mothers without awards. The increase in paternity establishment services for non-AFDC mothers in the 1988 CPS data suggests that IV-D agencies are moving in this direction; the increased emphasis on paternity establishment in the 1988 Family Support Act is likely to increase the use of paternity establishment services further.

2. Local Office Procedures for Serving Non-AFDC Cases

Local office staff reported on office procedures for serving non-AFDC cases in a number of areas: publicity, intake procedures, the timing of services, and the extent of limitations on the services provided. Most, but not all offices indicated that (1) they publicize services at least to an extent that meets federal requirements, (2) their intake procedures are reasonably flexible, and (3) they schedule initial interviews promptly. The majority of offices place some limitations on the services available to non-AFDC cases, contrary to federal regulations—in particular, most limit the services they provide to custodial mothers who are represented by private attorneys.

a. Publicizing Services to Non-AFDC Cases

Most offices (83 percent) reported engaging in some publicity activities, ranging from relying extensively on local media to simply making brochures available at the office (Table V.6). The 17 percent of offices that did not report engaging in any publicity activities may have relied on efforts at the state level.<sup>15</sup> Newspapers were the most frequently used avenue for publicity, and were the most likely to be deemed effective by office staff. Radio and TV publicity was also commonly used, and usually involved either appearances by program staff on talk shows or broadcasts of public service announcements. Offices mentioned a wide range of other methods as well, including outreach via billboards and posters, booths at state fairs, speeches to community groups, press conferences, and public service announcements in movie theaters.

b. Intake Procedures for Non-AFDC Cases

The flexibility of the intake procedures of the IV-D offices in our sample varies greatly, particularly their procedures for responding to initial inquiries by telephone (Table V.7). Over half of the offices have toll-free numbers to call for information. In responding to initial phone calls, three offices are clearly not encouraging: one refers the caller elsewhere, and two require that the caller request an application in writing. About half of the offices inform callers in the initial telephone call whether the office can provide the services they seek. Almost all (28 of 29) offices offer some information about **non-AFDC** services by telephone and/or mail out information (22 offices). At least seven offices (24 percent) also mail out the application form (which, because it was a write-in answer to this question, may be understated). In most cases, the caller is either given an appointment for an initial interview (in 13 offices or 45 percent) or called back by a child support specialist (in 11 offices or 38 percent).

Offices also have a range of responses when a potential applicant walks into the office to inquire about services. Most (20) offices explain the services that are available, and 24 offices have the

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<sup>15</sup>“Some offices did report statewide efforts, which we included in the tabulations when reported.



TABLE V.6

## METHODS USED TO PUBLICIZE THE AVAILABILITY OF SERVICES TO NON-AFDC CASES

	Frequency of Use			Office Said That the Method Was Effective		
	Ever	At Least Once A Year	Within Past Six Months			
Percent of Offices Using:						
Flyers	62 %	52 %	52 %	1	4	%
Mailings and Mailing Stuffers	24	24	17	14		
Newspapers	62	41	38	48		
Radio	48	31	28	38		
Television	55	38	21	41		
Liaison with Advocacy Groups	48	31	24	24		
Other <sup>b</sup>	69	62	59	21		
Any of the Above	83	83	76	66		
Number of Offices Using:						
Flyers	18	15	15	4		
Mailings and Mailing Stuffers	7	7	5	4		
Newspapers	18	12	11	14		
Radio	14	9	8	11		
Television	16	11	6	12		
Liaison with Advocacy Groups	14	9	7	7		
Other <sup>b</sup>	20	18	17	6		
Anv of the Above	24	24	22	19		
Number of Office Responding	29					

SOURCE: MPR surveys of local IV-D office staff, completed largely in **fall** and winter 1990-1991.

NOTE: **All** methods used by each office are indicated.

<sup>a</sup>**"Effective"** methods are methods ranked 4 or 5 on a 1 to 5 scale of effectiveness.

<sup>b</sup>**Other** methods included:

Billboards	9 offices
Posters	7
Press Conferences or News Releases	5
Speeches to Community Groups	4
Contacts with Other Agencies	2
Booths at State Fairs	2
Public-Service Announcements in Movie Theaters	2
Word-of-Mouth	2

TABLE V.7  
INTAKE PROCEDURES FOR NON-AFDC APPLICANTS

	Number of Sample <b>Offices</b>	Percent of Sample <b>Offices</b>
Agency Has Toll-Free Telephone Number to Call for Information About Non-AFDC <b>Services</b>	17	59 %
<b>Agency Response</b> to Caller who Asks for Information on Non-AFDC <b>Services:</b>		
Instruct caller to contact central IV-D office	1	3
Instruct caller to submit written request for application	2	7
Tell caller whether agency can provide the services (s)he seeks	15	52 %
Give caller information about services over the phone	<b>28</b>	97
Mail caller literature about services	22	76
Mail caller a non-AFDC <b>application<sup>a</sup></b>	7	24
Give caller appointment to <b>discuss</b> the application	13	<b>45</b>
Child support specialist returns the call	11	<b>38</b>
Other	2	7
Standard Written Explanation of <b>Non-AFDC</b> Services Available		
<b>Yes</b>	<b>26</b>	<b>90 %</b>
<b>No</b>	3	10
If Potential Non-AFDC Applicant Walks in, Staff Will:		
Explain available <b>services</b>	<b>20</b>	<b>69 %</b>
Have the person fill out a non-AFDC application	<b>24</b>	83
Conduct the initial interview	<b>8</b>	<b>28</b>
Draft a preliminary petition/complaint for applicant to sign	3	10
Make an appointment for the initial <b>interview<sup>a</sup></b>	10	34
Other	3	10
Is Initial Interview Required?		
<b>Always</b>	16	55 %
Sometimes	11	38
Never	2	7
How Is Initial Interview Conducted?		
Some use of in-person interviews	24	83 %
Use of in-person interviews only	9	31
Some use of telephone interviews	17	59
Number of <b>Offices</b> Responding	29	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

<sup>a</sup>This response was a write-in response under "other." The number writing in the response may understate the true proportion in this category.

person fill out the non-AFDC application. Eight offices (28 percent) go further by conducting the initial interview immediately in the office. However, at 10 offices (34 percent), walk-in applicants must make an appointment to return for their initial interview at a later date.

The majority of offices always require an initial interview, while most of the remainder sometimes require one. Some which do not always require a formal interview indicated that an applicant need merely fill out the application and is then called by the caseworker with any questions. While most offices that require an interview usually rely on in-person initial interviews, 31 percent rely on them exclusively. A majority also use telephone interviews. Requiring an in-person interview may make applying difficult for someone who cannot easily take time off during working hours. However, an in-person interview is an opportunity to collect more detailed information and to establish a good working relationship between the obligee and the caseworker.

Most offices report that initial interviews take place relatively soon after either the initial inquiry or the submission of the application (if an application is required before the interview) (Table V.8). Among the 11 offices that usually schedule the interview before the application, 1 schedules interviews the same day, 4 schedule interviews within 5 days, 2 schedule interviews in 6-14 days, and 3 schedule interviews in 15-30 days. However, one office reported scheduling interviews more than 60 days after the initial inquiry. Among the 12 offices that usually schedule interviews after applications are submitted, all reported scheduling interviews within 30 days after applications are received by mail, and 7 schedule them within two weeks. Four of these offices will interview walk-in applicants the day they apply. The others require walk-in applicants to come back for interviews. Scheduling later appointments may be an inconvenience for the applicant; however, scheduling may avoid the need for a long wait and helps the staff plan their time more efficiently.

c. The Timeliness of Services to Non-AFDC Cases

About a quarter of sample offices reported using formal or informal waiting lists for enforcement services for at least some non-AFDC cases (Table V.9). In response to this question, some offices

TABLE V.8

USUAL ELAPSED TIME BETWEEN NON-AFDC APPLICATION OR INQUIRY  
AND FIRST INTERVIEW WITH IV-D STAFF PERSON

	Number of Sample Offices	Percent Of Sample Offices
Application Is Usually Taken After Initial Interview	11	38 %
Application Is Usually Taken Before Initial Interview	12	41 %
There Is Usually no Initial Interview	6	21 %
Number of Offices Responding	29	100%

Usual Time between Initial Inquiry and First Interview for Offices Where the Application is Usually Taken *After* the Initial Interview

Same day	1	9 %
1-5 days	4	36
6-14 days	2	18
15-30 days	3	27
31-60 days	0	0
More than 60 days	1	9 %
Number of Offices Responding	11	100%

Usual Time between the Submission of an Application and their First Interview in Offices Where the Application is **Usually** Taken Before the Initial Interview

	Mail Application		Walk-In Application	
	Number	Percent	Number	Percent
Same day	0	0%	4	33%
1-5 days	2	17	0	0
6-14 days	5	42	4	33
15-30 days	2	17	1	8
Missing	3	25	3	25
Number of Offices Responding	12	100%	12	100%

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

TABLE V.9

## THE USE OF WAITING LISTS FOR SERVICES FOR NON-AFDC CASES

Service	Number of Sample Offices	Percent of Sample offices
Enforcement		
Waiting list	8	<b>28 %</b>
No waiting list	21	72
Paternity Establishment		
Waiting list	7	24 %
No waiting list	21	72
Missing	1	3
Support Order Establishment		
Waiting list	<b>5</b>	17 %
No waiting list	23	79
Missing	1	3
Location Only		
Waiting list	2	7 %
No waiting list	25	86
Services not provided	2	7
Number of Offices Responding	29	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

NOTE: Waiting lists could be formal or informal. Any use of a waiting list is counted, even if it applies only to certain types of cases.

noted that, while they do not maintain a formal waiting list, they have a substantial case backlog, which in effect is an informal waiting list. The table includes these **offices** in the total of offices with waiting lists. Waiting lists are also used by 7 of the 29 offices for paternity establishment, by five offices for support order establishment, and by two **offices** for location services. While four **offices** that report waiting lists for all services but location are in the same state, the others that use waiting lists are scattered throughout several states, suggesting that such lists reflect local practice more often than state policy.

According to staff estimates, services for non-AFDC cases are initiated on average within a few weeks, but can often take very long periods to complete, especially if interstate actions are involved (Table V. 10).<sup>16</sup> Even the process of initiating services took some offices 6 to 8 weeks (even more for location services).” Estimated completion times range **from** a few weeks to about two years, even though the recorded times were the minimums of any ranges given. As one would expect, estimated completion times tend to be much longer if location information is not available or if interstate processing is required.

#### d. Limitations on Services Offered

Although IV-D offices are required to provide the full range of services to non-AFDC cases under the 1984 Amendments, except in cases requesting only location services, a small number of offices do not offer certain services (Table V.II). One office (a small rural office) does not provide support order establishment services, while another office does not seek medical support for **non-Medicaid** cases. Seven offices reported not enforcing medical support orders for non-Medicaid cases.

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<sup>16</sup>Many offices had difficulty responding to these questions, especially concerning completion times, but instead made notes, such as “**varies** too much to estimate.” In reporting the time required to initiate services, offices typically gave close-ended ranges (e.g., 4 to 6 weeks), and we coded these responses by taking the midpoint. In reporting the time required to complete services, offices gave more open-ended responses (e.g., 26 or more weeks), and we coded these responses by using the minimum.

<sup>17</sup>No clear relationship exists between the reported length of time for initiating services and whether a waiting list is used.

TABLE V.10

ESTIMATED TIME REQUIRED TO INITIATE AND COMPLETE SELECTED  
SERVICES FOR NON-AFDC CASES

Service	Weeks to Initiate				Weeks to Complete			
	N <sup>a</sup>	Mean	Minimum	Maximum	N <sup>a</sup>	Mean	Minimum	Maximum
<b>Location</b>								
<b>Obligor</b> Is in the state.	<b>28</b>	2	c 1	12	<b>20</b>	7	1	<b>26</b>
<b>Obligor</b> is out of state	<b>28</b>	4	C 1	30	<b>20</b>	15	1	99 +b
<b>Establishment</b>								
Location of <b>obligor</b> known In state	<b>27</b>	2	<1	6	<b>20</b>	8	<b>2</b>	<b>26</b>
Location of <b>obligor</b> known out of State	26	3	<1	6	18	<b>20</b>	<b>4</b>	52
<b>Income Withholding</b>								
<b>Obligor's employer</b> known in state	26	1	C 1	6	<b>20</b>	3	<b>1</b>	12
<b>Obligor's employer</b> known out of state	25	2	<1	7	16	13	<b>1</b>	52
<b>Obligor's</b> location known In the state, but <b>employer</b> unknown	22	2	C 1	7	11	14	<b>3</b>	52
<b>Obligor's</b> location known out of state, but employer unknown	22	2	<1	7	13	24	<b>4</b>	52
<b>Paternity and Establishment</b>								
<b>Obligor</b> has admitted paternity, location known in the state	25	2	C 1	6	<b>20</b>	10	<b>2</b>	<b>26</b>
<b>Obligor</b> has admitted paternity, location known out of state	<b>25</b>	3	C 1	8	19	19	<b>1</b>	52
Obhgor has not admitted paternity, location known in the state	26	2	C 1	6	<b>20</b>	15	<b>4</b>	32
<b>Obligor</b> has not admitted paternity, location known out of state	26	3	<1	8	18	29	<b>6</b>	99 + <sup>b</sup>

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

<sup>a</sup>N = the number of offices responding to each item.<sup>b</sup>It was not possible to code numbers larger than 99. Means are thus slightly understated.

TABLE V.II  
SERVICES PROVIDED TO NON-AFDC CASES

	Number of Sample Offices	Percent of Sample Offices
Office Provides Services for Establishing Initial Support Order		
<b>Yes</b>	27	<b>93 %</b>
No	1	3
Missing	1	3
Office Typically Seeks Medical Support Orders for <b>Non- AFDC</b> Obligees Not on Medicaid		
<b>Yes</b>	26	<b>90 %</b>
No	1	3
No services for initial orders	1	3
Missing	1	3
Office Provides Services for Enforcing Medical Support for Non-Medicaid Cases		
Yes	22	76 %
No	7	24
If Non-AFDC Applicant Is Represented by Private Counsel, <b>Will</b> Application be Accepted?		
Yes, regardless	11	38 %
Yes, with limitations on services	12	41
No	5	17
Missing	1	3
Office Will Intervene in Pending Marital Dissolution to Obtain Temporary Order		
Yes, but only if obligee is not represented by counsel	6	21 %
Yes, regardless	4	14
No, but will bring separate action for temporary support	11	38
Depends on timing or circumstances	3	10
<b>Will</b> seek an administrative order	3	10
No services for initial orders	1	3
Missing	1	3



TABLE V.11 (continued)

	Number of Sample Offices	Percent of Sample Offices
Services That Agency Will <b>Not</b> Provide to a Non-AFDC Applicant with Counsel		
Location	<b>0</b>	<b>0 %</b>
Paternity establishment	<b>9</b>	31
Initial order establishment	11	38
Upward modification	10	34
Defending downward modification	10	34
Contempt	10	34
Income withholding	8	28
Federal tax refund offset	8	28
URESAs	7	24
State tax offset	4	14
Other	3	10
Services That a Non-AFDC Applicant Can Apply for Separately		
Location	24	83 %
Paternity establishment	11	38
Initial establishment	10	34
Upward modification	8	28
Defending downward modification	6	21
Contempt	9	31
Income withholding	9	31
Federal tax refund offset	10	34
State tax refund offset	10	34
URESAs	10	34
Liens	8	28
Consumer credit reporting	4	14
Other	4	14
No services provided separately	3	10
Are <b>Non-AFDC</b> Cases Prioritized?		
<b>Yes</b>	6	21 %
No	22	76
Missing	1	3
Number of Offices Responding	29	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

Most offices reported limiting the types of services available to non-AFDC obligees who have private attorneys. Five offices (17 percent) will not serve these cases at all, while **12 offices** (41 percent) place limitations on services. Six offices (21 percent) will not intervene in a pending marital dissolution action to obtain a temporary support order if the obligee is represented by counsel.

In offices that limit services, the only service that is always provided to non-AFDC obligees who are represented by counsel is location. Between 25 and 40 percent of offices will not provide the following IV-D services to obligees with private attorneys: paternity establishment, initial order establishment, upward or downward order modification, contempt, income withholding, federal tax refund offset. The number of offices that will not provide tax refund offset services is surprising, because this program is available only through IV-D agencies.

Substantial proportions of offices allow non-AFDC applicants to apply for selected rather than the full range of IV-D services. Twenty-four provide “location only” services, as required by federal regulations. Approximately one-third of the offices allow separate applications for most other IV-D **services.**

Six offices reported prioritizing non-AFDC cases. This often involves putting cases with incomplete information from the obligee (such as the obligor’s Social Security number) on hold.

### 3. Local Office Resources for Non-AFDC Cases

Eighteen (18) of the 29 offices reported that roughly half of their staff time is devoted to **non-AFDC** cases (Table V.12). According to staff, 12 offices (41 percent) spend more time on **non-AFDC** cases than their proportion in the caseload, 8 offices (28 percent) spend roughly the same proportion, while only 3 offices (10 percent) spend a lower proportion. Although non-AFDC cases are “easier”, on average, than AFDC cases (more likely to have support orders and obligors with substantial incomes), staff may be inclined to spend more time on them simply because they can do more for these cases. In addition, staff indicated that non-AFDC obligees tend to be more assertive than AFDC obligees in requesting services; several staff members complained about the frequency

**TABLE V.12**  
**RESOURCES FOR NON-AFDC SERVICES**

	Number of Sample Offices	Percent of Sample Offices
Percent of Staff Time Devoted to Non-AFDC Work		
<b>1-40%</b>	3	10 %
<b>41-60%</b>	18	62
<b>61-80%</b>	6	21
Missing	1	3
Not known	1	3
Staff Time Devoted to Non-AFDC Cases Relative to Their Representation in the <b>Caseload<sup>a</sup></b>		
More staff time per non-AFDC case than per AFDC case	12	41 %
About the same amount	8	<b>28</b>
Less staff time per non-AFDC case than per AFDC case	3	10
Missing	6	21
Sources of New Resources for Non-AFDC <b>Services<sup>b</sup></b>		
No new resources needed	7	24 %
No new resources available	2	7
Resources shifted <b>from</b> AFDC cases	11	38
New state appropriations matched by federal funds	7	24
New local appropriations matched by federal <b>funds</b>	5	17
If Staff Increased by 25 Percent, Estimated Percentage <b>That</b> Would be Devoted to Non-AFDC Services		
<b>1-40%</b>	10	34 %
<b>41-80%</b>	14	48
<b>81-100%</b>	2	7
Percent of Additional Staff <b>That</b> Would be Devoted to Non-AFDC Services Relative to the Percent of Current Staff Devoted to Non-AFDC Service?		
Greater	3	10 %
About the same	12	41
<b>Less</b>	9	31
Missing	5	17
If Staff Used for Non-AFDC Work Increased by 25 Percent, Estimated Increase in Collections That Could be Achieved		
124%	7	24 %
25%	5	17
2650%	10	34
<b>51-75%</b>	1	3
Missing	2	7
Not known	4	14
Number of Offices Responding	29	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter **1990-1991**.

<sup>a</sup>See Appendix Table C.20.

<sup>b</sup>Multiple answers were possible. Percentages may thus sum to over 100 percent.

<sup>c</sup>See Appendix Table C.21.

with which non-AFDC obligees call them (see discussion of staff views below). Non-AFDC obligees have more incentive than AFDC obligees to pursue services, because they keep all child support collected on their behalf.

As discussed earlier, national expenditures for non-AFDC cases have grown substantially in real terms since 1984. However, as shown in the third panel of Table **V.12**, **7 offices** reported not having needed new resources. Thirty-eight percent of the offices reported that resources to serve **non-AFDC** cases had been shifted from AFDC cases. Twenty-four percent reported using new state funds, and 17 percent reported using new local funds. One possible explanation for the differences between these data and the national data is that increases in resources have occurred in some, but not all, states and localities.

When staff were asked about the extent to which additional staff, if available, would be devoted to non-AFDC services, nine offices (31 percent) reported they would use a lower proportion of new staff for non-AFDC services than the proportion of current staff used for **non-AFDC** services, while only 3 offices (10 percent) would increase the proportion of staff devoted to non-AFDC cases. Again, this seems to reflect a staff perception that non-AFDC services are receiving a disproportionate share of current staff resources.

All offices that responded felt that non-AFDC collections would increase if additional staff were available. Seven of the offices (24 percent) believe that a 25 percent increase in non-AFDC staffing would result in an increase in collections for **non-AFDC** cases of 1 to 24 percent. Another **5** offices (17 percent) anticipated that a 25 percent increase in staffing would lead to a proportionate 25 percent increase in collections. Ten offices (34 percent) believed that the increase in collections that could be achieved would be in the range of 26 to 50 percent. These estimates suggest that, even though some **IV-D** staff may believe that non-AFDC cases receive a disproportionate share of the available CSE resources (see the immediately preceding discussion), these staff nevertheless believe that the more could be accomplished for these cases with additional staff.

#### 4. Advocacy Group Views on Accessibility of Services

To obtain a custodial parent perspective on the accessibility and quality of services offered to non-AFDC obligees, we held discussions with representatives of 15 local and 2 national advocacy groups for custodial parents and children. The local groups represent all groups that we could identify that operated in the jurisdictions in which we collected our case records and staff survey data. Appendix D provides further information on these discussions.

In general (and perhaps not surprisingly), the advocates for custodial parents expressed considerable dissatisfaction with the accessibility of IV-D services for non-AFDC cases and with the adequacy of services provided to both AFDC and **non-AFDC** cases. However, the perceptions of the advocates about the sources of the major problems differed, as did the extent to which they felt the local offices were making the best of limited resources.

Almost all advocates felt that program outreach to non-AFDC custodians was seriously inadequate, and most felt that intake procedures were not convenient. About one-third of the respondents were aware of some outreach by the state or local IV-D agency, but only one respondent felt that the agency did a good job in this area--that respondent noted that information was mailed out with support checks, regular community meetings were held, and a toll-free number for information was available. Respondents felt that a required in-person interview was largely a barrier to applying for services, since applicants often had to take off work to come in during regular business hours. In addition, respondents cited anecdotal evidence of caseworkers discouraging applicants by describing the long period of time that it would take for action on their cases.

Respondents felt that application fees and the recovery of costs by the IV-D program discouraged custodians from applying for help, except in cases where the fees were readily waived for lower-income **custodians**.<sup>18</sup> They also believed that fees and cost recovery were not adequately explained to respondents when they applied to the program. The cost of the blood tests required for

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<sup>18</sup>**Fees** and cost recovery policies are set by individual states, except that application and tax intercept fees are capped at \$25 under federal law.

establishing paternity (about \$300 in the respondents' experience), which is sometimes charged to the custodial parent was cited as a substantial disincentive to seeking services.

The custodial-parent advocates were almost universally critical of the attitudes of caseworkers towards non-AFDC obligees, and tended to blame what they characterized as unhelpful attitudes of case workers on the large IV-D caseloads, and, in one case, on high staff turnover. Advocates said that caseworkers rarely initiated enforcement actions without prompting from the **obligee**. Some respondents stated that caseworkers had sometimes not informed them of actions on their cases or refused to show them relevant documents. Furthermore, some caseworkers were described as seeming unfamiliar with less standard procedures, such as the use of liens or consumer credit reporting. One respondent reported that her caseworker even claimed to be unfamiliar with the federal tax refund offset program.

When the advocates were asked how they rated the local IV-D program at providing specific services to non-AFDC cases, most respondents gave a mixture of positive and negative ratings to the services. The services most often rated positively were income withholding (by 8 respondents) and the federal tax offset program (by 9 respondents). The service almost universally rated negatively was URESA processing (by 13 respondents). Two other services, location and defense against downward modifications, also received largely negative ratings.

Advocates were about equally divided about whether non-AFDC cases received equal treatment with AFDC cases. Among those who said yes, two called the services "equally bad." Others reported that services were not provided on an equal basis or that AFDC cases were perceived by caseworkers to have higher priority. Most advocates felt the IV-D agencies did not make any effort to **serve** obligees with private attorneys, which is consistent with what staff reported. Some jurisdictions serve AFDC and non-AFDC cases in different offices, and one respondent mentioned that the office which served most non-AFDC cases did not offer services as conveniently as the office that served primarily AFDC cases. One respondent reported that, once non-AFDC obligees succeed in getting into the

IV-D program, they may receive better services than AFDC obligees, because the non-AFDC group has more success at being “squeaky wheels.” This is consistent with the perception of CSE staff, noted earlier, that non-AFDC cases tend to be more assertive in requesting services.

5. Services Provided to Non-AFDC Cases in the Case Records Sample

Although all cases in the case records sample had orders as of the abstraction date, at least 40 percent of the non-AFDC cases in the case records sample did not have an order at the time the case was opened and, therefore, presumably had received assistance with order establishment (Table V.13). As might be expected, this was true of a somewhat higher proportion of the former AFDC cases as compared to the never-AFDC cases. Most non-AFDC cases who had not previously been an AFDC case applied for all relevant IV-D services when making their applications. One percent applied only for location services, and 7 percent applied specifically for **URES**A services.

As an index of whether the IV-D’ agency was taking at least some actions on the non-AFDC cases, we coded information on whether the case file indicated that the agency had contacted the obligor within a year of the application. Such contacts had occurred in at least 77 percent of the cases. It is possible that in many of the remaining cases the obligor could not be located.

For 12 percent of the cases, the **abstractors** definitely determined that the location of the obligor was unknown to the IV-D agency as of the date of the abstraction, and in another 12 percent it was not clear from the case file whether the obligor’s location was known. Thus, there were 24 percent of cases where the location of the obligor was probably not known. In about half of these cases (13 percent of the overall sample), there was an indication in the case file of an attempt to locate the obligor.

Requests for enforcement actions other than withholding had been filed for about 20 percent of both types of non-AFDC cases; the most common actions requested were bench warrants or motions for civil contempt. We found little evidence in the case files of use of two enforcement remedies first mandated by the 1984 Amendments: liens on property and consumer credit reporting.

TABLE V.13

SERVICES RECEIVED BY **NON-AFDC** CASES WITH ORDERS  
(Percent of Non-AFDC Cases **with** Orders)

	Former AFDC	Never AFDC	Total <sup>a</sup>
Non-AFDC Cases with:			
Any order before case opened	31 %	<b>44 %</b>	37 %
All orders after case opened	44	<b>36</b>	40
Case opening date missing	25	20	24
Services Applied for:			
All (relevant) IV-D <b>services</b>	n.a.	<b>78 %</b>	n.a.
Location only	<b>n.a.</b>	<b>1</b> <b>b</b>	n.a.
Tax intercept only	n.a.		n.a.
URESA	n.a.	7	n.a.
Other	<b>n.a.</b>	3	n.a.
No application	n.a.	4	n.a.
Missing/not determined	n.a.	7	n.a.
Agency Contacted Obligor within 12 Months After Application			
Yes	77 %	77 %	77 %
No	9	8	8
Missing/not determined	14	15	15
Location of Obligor at Date of Abstraction			
<b>Known<sup>c</sup></b>	71	80 %	76 %
Not known	14	10	12
Not clear from case files	14	10	12
Cases with Location Not Known or Not Clearly Known with <b>Location</b> Actions Undertaken in Past Year			
	16 %	10 %	13 %
Employer of Obligor <b>Is:</b>			
<b>Known<sup>c</sup></b>	<b>53 %</b> <b>b</b>	<b>61 %</b> <b>b</b>	<b>56 %</b> <b>b</b>
Not known			
Not clear from case. files	35	<b>29</b>	32
Not employed	12	10	11
Evidence in the Case Files of IV-D Agency Request for Enforcement Actions Other Than Income Withholding Since <b>1/1/87</b>			
<b>Yes</b>	<b>20 %</b>	<b>21 %</b>	21 %
<b>No</b>	<b>80</b>	79	79
<b>Types</b> of Enforcement Actions Requested by IV-D <b>Agency<sup>d</sup></b>			
Lien--real property	1 %	1 %	1 %
Lien--personal property	1	1	1
Levy and execution	0	<b>1</b> <b>b</b>	<b>1</b> <b>b</b>
Bond or other security	0		
Report to consumer credit agency	0	<b>0</b>	<b>0</b>
Bench warrant/civil contempt	14	<b>15</b>	14
Other	1	1	1
Actions not specified in request	2	2	2
Actions not determined	2	3	3
Missing	2	3	2



TABLE V.13 (continued)

	Former AFDC	Never AFDC	Total*
Order Modified After IV-D Case Opened/Transferred to Non-AFDC Status <sup>a</sup>			
Yes	22 %	50 %	35 %
No	70	30	50
Not determined	8	20	15
Cases with at Least One Month of Arrears	71 %	64%	68%
Cases with at Least One Month of Arrears and Attempted Withholding in Past Year	32 %	31 %	31 %
Cases with at Least One Month of Arrears and Withholding During Past Year	28%	26%	27 %
Number of Cases	609	559	1,201

SOURCE: Weighted tabulations from MPR case records abstracts of 1,906 active IV-D cases with orders, abstracted from February to November 1990.

<sup>a</sup>The total column includes cases whose former AFDC status cannot be determined from the case file, and who are thus excluded from the first two columns.

<sup>b</sup>Less than 0.5 percent.

<sup>c</sup>Includes cases with no arrears, for which location data were not collected.

<sup>d</sup>More than one enforcement action could be requested at the same time.

<sup>e</sup>For never-AFDC cases, we examined whether the order was modified since the case opened; for former AFDC cases, we examined whether the order was modified since the transfer to non-AFDC status.

n.a. = not applicable.

## E. VIEWS ON PROGRAM EFFECTIVENESS

Staff and custodial-parent advocates had many and diverse ideas on the major problems in providing services to non-AFDC cases. Both groups frequently mentioned insufficient resources and difficulties with interstate procedures. Staff also frequently mentioned a lack of financial incentives, and the need to target services better to those most in need, either through increased cost recovery or limitations on services offered to obligees with more resources.

The staff surveys asked open-ended questions on what respondents saw as the major constraints facing the non-AFDC program, and on what suggestions they had for improvements (see Tables V.14 and V.15). Not all sites chose to respond to these questions, but several common themes emerged among those who did.

The major issues raised were a lack of resources (usually staff resources) and a need to streamline interstate procedures. Twelve of the 15 sites responding mentioned lack of staff as a problem; ten mentioned more staff as a needed improvement. Needs for other resources, such as automation and court time, were also mentioned. Interstate procedures were mentioned as a problem by six sites; suggestions for improvement in this area were fairly general, including “more interstate cooperation” and “make child support laws more uniform.”

Five sites mentioned lack of financial incentives as a problem. This may reflect the fact that almost all states (including all states in our sample) have sufficiently high non-AFDC collections relative to AFDC collections to have reached the cap on federal incentive payments for non-AFDC collections.

Another area of staff concern is obligee office interactions (mentioned by 4 offices). Some staff complained that non-AFDC obligees have unrealistic expectations and tend to take up much too much of their time in “nuisance” phone calls. Part of the problem seems to be that some staff see non-AFDC obligees as freeloaders who should be forced to hire their own attorneys. For example, one local-office respondent cites as a problem “unreasonable demands by non-AFDC clients, many

TABLE V.14

**STAFF PERCEPTIONS OF PROCEDURAL AND INSTITUTIONAL BARRIERS  
THAT LIMIT THE SUCCESS OF THE NON-AFDC PROGRAM**

Constraints Mentioned	Number of Sample Offices	Percent of Sample Offices
<b>Time/Resources</b>	<b>13</b>	<b>87 %</b>
Lack of staff	12	80
Lack of court time	1	7
Lack of automation	1	7
<b>Interstate Problems</b>	<b>6</b>	<b>40 %</b>
Different procedures/lack of cooperation in interstate cases	6	40
Delays in sending cases to other states	1	7
<b>Lack of Financial Incentives</b>	<b>5</b>	<b>33 %</b>
<b>Obligee/Office Interactions</b>	<b>4</b>	<b>27 %</b>
Obligees not responsible for obtaining necessary documentation	1	7
Unrealistic expectations of obligees	1	7
Custodial/visitation issues	1	7
Parties reach private agreement without informing CSE	1	7
<b>Legal Process Requirements</b>	<b>4</b>	<b>27 %</b>
State due-process safeguards	1	7
Requirement of assignment rights	1	7
Using the Attorney General as the legal entity	1	7
Necessary appeal requests on wage withholding	1	7
<b>Others</b>	<b>3</b>	<b>26 %</b>
Lack of publicity	1	7
No clear statement of each agency's responsibility	1	7
Contract process server is inadequate	1	7
Dropping cases due to elected officials' involvement	1	7
<b>Number of Offices Responding</b>	<b>15</b>	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

TABLE V.15

## STAFF SUGGESTIONS FOR IMPROVING THE NON-AFDC PROGRAM

Suggestions	Number of Sample Offices	Percent of Sample Offices
<b>Time/Resources</b>	11	<b>58 %</b>
More staff	10	53
More court time and other resources	2	11
<b>Interstate Cases</b>	4	<b>21%</b>
Make state child support laws more uniform/streamlined	2	11
More interstate cooperation	1	5
Federal law to enforce cooperation among states	1	5
Send cases to other states more rapidly	1	5
<b>Funding Incentives at the County Level</b>	3	<b>16 %</b>
<b>Cost Recovery</b>	4	<b>21%</b>
Charge a small fee to discourage nuisance requests and phone calls	3	16
Charge clients by ability to pay	1	5
Require court to make finding of fact if legal fees are not ordered against obligors	1	5
<b>Limits on Services</b>	-2	<b>11%</b>
<b>Services</b> should be provided on an "as-needed" basis	1	5
Make client responsible for obtaining required documentation	1	5
<b>Improved Accountability</b>	2	<b>11%</b>
Assign all child support work to one agency to streamline work and ensure accountability	2	11
Explicitly define the responsibility of each agency	1	5
<b>Expanded Services</b>	3	<b>16 %</b>
More publicity for the program	2	11
Use credit reporting to consumer credit agencies	1	5

**TABLE V.15 (continued)**

Suggestions	Number of Sample Offices	Percent of Sample Offices
<b>Other</b>	<b>3</b>	<b>16 %</b>
Fewer, less complicated forms	1	5
Uniformity among counties in child support laws	1	5
Limit monthly payment on arrears when arrearages are high	1	5
<b>Number of Offices Responding</b>	<b>19</b>	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

of whom could afford their own attorneys.” Another respondent writes, “Currently, valuable case processing time is lost while case analysts deal with anxious custodial parents by phone. This takes approximately 35 percent of their time.” Suggestions for dealing with these problems include charging obligees (either by their ability to pay or for specific services), collecting legal fees from obligors, and limiting services.<sup>19</sup>

Custodial-parent Advocates also frequently mentioned lack of staff and problems with interstate processing as major concerns. Other changes they would like to see include: improved communication between caseworkers and obligees, evening or weekend hours for initial interviews, better caseworker training, more IV-D program outreach, clear explanations of fees and cost recovery, and straightforward policies for waiving fees for low-income obligees.

#### F. SUMMARY AND POLICY RECOMMENDATIONS

Key findings concerning services to non-AFDC cases can be summarized as follows:

- The potential need for services remains large. Based on 1988 CPS data, 34 percent of child-support-eligible non-AFDC mothers lack awards, and another 27 percent do not receive full payment. Among those who contacted a government agency for child support help, 22 percent lack awards and 49 percent did not receive full payment.
- According to OCSE program data, the number of non-AFDC cases nearly doubled from FY85 to FY89. In the face of this huge growth in **non-AFDC** caseloads, the IV-D program has been able to keep real collections per non-AFDC case steady.
- 1988 CPS data suggest that services to the non-AFDC child-support-eligible population increased between 1985 and 1987, and that award and payment levels improved slightly. These changes are likely to reflect effects of the 1984 Amendments along with other factors such as changes in the characteristics of persons served and changes in state child support laws.
- Much room for improvement remains. Collections were made for only 29 percent of non-AFDC IV-D cases nationally, according to OCSE program data. The 71 percent of cases with no collections included cases without orders and cases with no payments on existing orders,

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<sup>19</sup>The staff survey did not collect data on the extent to which cost recovery is currently attempted in sample offices.

- Many offices limit the range of services provided to non-AFDC cases in some situations. In particular, offices frequently limit the range of services provided to non-AFDC obligees who have private attorneys.
- Many offices report spending disproportionate amounts of staff time on non-AFDC cases. OCSE program data also indicate that spending on non-AFDC cases has grown much faster than spending on AFDC cases.
- While real expenditures per non-AFDC IV-D case have grown nationally, many offices report receiving no increases in resources to match the growth in **non-AFDC** caseloads. Some report resources have been shifted from AFDC cases. One possible explanation is that increased resources have been appropriated in some, but not all, states or localities.
- Advocates for custodial parents express considerable dissatisfaction with the accessibility of IV-D program services for non-AFDC cases and with the adequacy of services provided. Advocates felt outreach to non-AFDC custodians was seriously inadequate, that intake procedures were not convenient, that fees and cost recovery policies were sometimes a barrier to receiving services, and that caseworkers seldom initiated actions on cases without prompting from the obligee.

While the intent of Congress in 1984 appears to have been to make the IV-D program widely available, many offices continue to view the program as largely for low-income obligees. We recommend that federal policymakers consider how to resolve these conflicting goals. If services are truly to be available, OCSE should enforce the requirement that all services be provided to all applicants, particularly services such as the federal tax refund offset program, which are not available outside the IV-D system. If federal policymakers choose to encourage states to expand program resources, either through increased automation or staffings levels or both, it seems likely that substantial improvements in non-AFDC services and collections could be achieved.

On the other hand, at any given level of resources, it would be possible to better target the **non-AFDC** program to those most in need. This could be done, for example, by placing higher priority on paternity and support order establishment services, or by increased use of sliding-scale fees for services.

GAO RESPONSE FORMAT



Associate Deputy Director  
Office of Child Support Enforcement

Status of Recommendations Made in GAO Report: **"Child Support:  
Need to Improve Efforts to Identify Fathers and Obtain  
Support Orders"**

Charleen M. Tompkins, Director  
Executive Secretariat

Attached is an updated status report on subject GAO report  
for the October-December 1989 quarter.

Robert C. Harris

Attachment

## STATUS REPORT

U.S. General Accounting Office's Final Report, "Child Support:  
Need To Identify Fathers and Obtain Support Orders"  
(GAO/HRD-87-37)

### GAO Recommendation #3:

That the **Secretary** of Health and Human Services require the Director of OCSE to **develop** and **implement** performance standards for determining paternity and obtaining support orders and audit local agencies to determine whether these standards are followed. Such audits should include an assessment of the sufficiency of staff as specified by Federal regulations.

### Required HHS Action:

OCSE will give priority to implementing performance standards and will continue to perform program review audits to disclose performance deficiencies in States.

### Status as of September 30, 1989:

Final Federal regulations prescribing quantitative and qualitative standards for service delivery, including case closure and standards of quality and timeliness of actions, related to the establishment of paternity and support awards, were published in the Federal Register on August 4, 1989. In addition, OCSE is revising the audit regulations to address the new program standards. Final revised audit regulations are scheduled to be published before the October 1, 1990 effective date for program standards.

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**APPENDIX A**  
**SAMPLE SELECTION**



The original sample design for the IV-D case records sample was a multi-stage clustered sample design in which states and then offices within states were to be selected with probabilities proportional to size, and then equal numbers of cases were to be selected from each office. However, due to resource constraints and a lack of cooperation from some of the sites, this sample design was not fully implemented. In the end, approximately 1,900 case abstracts were completed in 30 offices in 11 states. The available evidence suggests that the case records sample can be interpreted as approximately representative of IV-D cases nationwide (see Chapter II), although it is not representative in a strict statistical sense.

Sections A through C discuss the procedures used to select the sample of states, the samples of offices within states, and the samples of cases within each office. Section D describes the construction of sample weights, and the techniques used to estimate the precision of the estimates derived from the case records sample.

#### A. THE SELECTION OF STATES

Under the original sample design, 16 states were selected with probabilities proportional to size (PPS), but some types of states were oversampled. The measure of size was the potential IV-D caseload as measured by the number of mothers with children of noncustodial fathers in the 1986 CPS. This measure was chosen rather than reported program data, because states define their IV-D caseloads in different ways. The four states that used immediate withholding extensively in 1987 were sampled with certainty, as were the two states that contained more than **1/16** of the mothers with children of noncustodial fathers. The remaining states were grouped into five state strata of roughly equal sizes. Of the five state strata, one contained all of the administrative process states (**that is**, states in which administrative processes were established for expediting cases), while the others were grouped by size, so that states of varying sizes would be included. Two states were selected with PPS from each stratum.

Due to resource constraints and difficulties in securing the cooperation of states with the project, the number of states in which data were collected was ultimately limited to 11. Ten of these 11 states were chosen in the original sample draw. The eleventh was a replacement for one of the original states which declined to participate early in the data collection planning process.

The remaining states in the original sample were dropped either because they declined to participate (2 states) or because data collection in the state had not yet begun before data collection operations were scaled back (3 states). In general, the states that were dropped tended to be those that were tardy in providing sample frame information.

#### B. THE SELECTION OF LOCAL OFFICES WITHIN STATES

The original design called for selecting four local offices within each state with probabilities proportional to size. The IV-D caseload in each office, as reported by the state, was used as the measure of size. The states were divided into geographically contiguous clusters of offices, two clusters were selected with PPS, and then two offices were selected with PPS from within each cluster. The geographic clustering was used to reduce training costs, since training required that an MPR staff member travel to each site.

Some offices were selected with certainty because they contained over one-quarter of the state's caseload. When one office was selected with certainty, a second office was selected with PPS from a cluster of nearby offices, and the sample sizes were set so that all cases in the state had equal probabilities of selection. In addition; some offices were selected twice (because they contained more than half of the cases in the cluster). Double samples were taken **from** such **offices**, rather than another office chosen to complete the pair. In a few cases, offices refused to participate and were replaced.

Due to resource constraints, cases were sometimes abstracted only from one or two offices of the four planned in each state. In six of the eleven states, the samples were drawn from all of the offices originally selected; when properly weighted, they are representative of a state's caseload. In



the remaining states, samples were drawn only from one or two of the four selected offices. When samples were drawn only from two offices, they were always offices in the same geographic cluster. The omitted offices tended to be offices that were tardy in providing sample information. However, the omitted offices exhibited a range of characteristics. For example, in two states, pairs of offices in two large urban areas were omitted; in another state, the only office sampled was in a large urban area.

### C. THE SELECTION OF CASES **WITHIN** EACH OFFICE

The original sample plan called for selecting equal numbers of cases from each state. However, as described earlier, resource constraints necessitated canceling data collection in some states and terminating it early in others. Consequently, the number of observations per state varies from 65 observations to about **300** observations (see Table A1).

The sample frame was defined as all active IV-D cases with child support orders in an office, where a case was defined as an obligor-obligee combination. AFDC-arrears-only cases were excluded, because the cases were likely to be inactive or also to be counted as **non-AFDC** cases. Outgoing interstate cases were excluded so that interstate cases would not be sampled in both the initiating and the receiving jurisdictions, since doing so would have given them a higher probability of entering the sample. Cases with very recent orders (orders since July 31, 1989) were also excluded, so that it would be possible to observe at least six months of payments and enforcement actions after the most recent order.<sup>7</sup>

The sample was stratified in order to oversample subgroups of particular interest for analysis. In particular, the original plan was to draw a sample consisting of one-half AFDC and one-half **non-AFDC** cases, and to select 60 percent of the sample from among cases with orders or modifications since January 1, **1987**, because provisions of the 1984 Amendments were more likely to have affected

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<sup>7</sup>Data collection began in early 1990. Another reason for the July 31, 1989 cutoff was that some FSA provisions were implemented initially in fall 1989.

TABLE A.1

## NUMBER OF CASE RECORDS ABSTRACTIONS, BY STATE AND OFFICE

	Early AFDC	Late AFDC	Early Non-AFDC	Late Non-AFDC	Total
State A	24 (21%)	22 (19%)	34 (30%)	34 (30%)	114
Office A1	13 (17%)	12 (15%)	25 (32%)	28 (36%)	78
Office A2	11 (31%)	10 (28%)	9 (25%)	6 (17%)	36
State B	26 (19%)	15 (11%)	69 (51%)	24 (18%)	134
Office B1	8 (16%)	3 (6%)	30 (60%)	9 (18%)	50
Office B2	18 (21%)	12 (14%)	39 (46%)	15 (18%)	84
State C	44 (23%)	46 (24%)	49 (26%)	49 (26%)	188
Office C1	10 (24%)	9 (22%)	13 (32%)	9 (22%)	41
Office C2	14 (24%)	13 (22%)	13 (22%)	18 (31%)	58
Office C3	8 (18%)	17 (38%)	10 (22%)	10 (22%)	45
Office C4	12 (27%)	7 (16%)	13 (30%)	12 (27%)	44
State D	18 (16%)	35 (32%)	27 (24%)	31 (28%)	111
Office D1	4 (17%)	7 (29%)	9 (38%)	4 (17%)	24
Office D2	14 (16%)	28 (32%)	18 (21%)	27 (31%)	87
State E	32 (17%)	63 (33%)	38 (20%)	58 (30%)	191
Office E1	15 (22%)	19 (28%)	13 (19%)	21 (31%)	68
Office E2	3 (7%)	19 (43%)	5 (11%)	17 (39%)	44
office E3	9 (20%)	15 (33%)	13 (28%)	9 (20%)	46
office E4	5 (15%)	10 (30%)	7 (21%)	11 (33%)	33
State F	21 (22%)	38 (39%)	19 (20%)	19 (20%)	97
Office F1	8 (25%)	12 (38%)	8 (25%)	4 (13%)	32
Office F2	13 (20%)	26 (40%)	11 (17%)	15 (23%)	65
State G	28 (19%)	40 (27%)	25 (17%)	56 (38%)	149
Office G1	28 (19%)	40 (27%)	25 (17%)	56 (38%)	149

TABLE A.1 (continued)

	Early AFDC	Late AFDC	Early Non-AFDC	Late Non-AFDC	Total
State H	51 (18%)	91 (32%)	59 (20%)	87 (30%)	288
Office H1	12 (17%)	25 (36%)	12 (17%)	21 (30%)	70
Office H2	11 (17%)	23 (35%)	14 (21%)	18 (27%)	66
Office H3	16 (19%)	22 (26%)	18 (21%)	<b>28 (33%)</b>	84
Office H4	12 (18%)	21 (31%)	15 (22%)	20 (29%)	68
State I	63 (23%)	61 (22%)	79 (28%)	75 (27%)	278
Office I1	30 (20%)	37 (25%)	<b>41 (28%)</b>	40 (27%)	<b>148</b>
Office I2	18 (28%)	11 (17%)	15 (23%)	21 (32%)	65
Office I3	15 (23%)	13 (20%)	23 (35%)	14 (22%)	65
State J	16 (25%)	7 (11%)	26 (40%)	16 (25%)	65
Office J1	10 (22%)	4 (9%)	20 (44%)	<b>11 (24%)</b>	45
Office J2	6 (30%)	3 (15%)	6 (30%)	5 (25%)	20
State K	61 (21%)	80 (27%)	61 (21%)	89 (31%)	291
Office K1	12 (22%)	18 (33%)	12 (22%)	13 (24%)	55
Office K2	11 (20%)	14 (26%)	10 (19%)	19 (35%)	54
Office K3	13 (21%)	15 (25%)	14 (23%)	19 (31%)	61
Office K4	25 (21%)	33 (27%)	25 (21%)	38 (31%)	121
Total	384 (20%)	498 (26%)	486 (26%)	538 (28%)	1906

NOTE: The names of the sample states and offices are confidential. The numbers in parentheses are the percentages in each stratum (that is, row percentages). Early cases are those with orders prior to January 1, 1987; late cases are those with orders or modifications after that date.

those cases. The interaction of these two requirements created four strata. The stratification plan was implemented within each office to the extent possible.

Lists of cases in the sample frame were requested from each office in the sample. Information on the AFDC status of each case and the date of the most recent order was requested so that it would be possible to sample separately **from** each of the four strata. However, most offices were not able to provide case **lists** with all of the necessary information. The types of information available, the ordering of lists, and the extent of duplication on the lists varied substantially, requiring separate sampling algorithms to be developed for each office, and extensive on-site screening. Due to the wide variation in the lists received, it is helpful to use two fairly typical examples to illustrate how sampling algorithms were developed.

First, consider the situation in which offices provided lists that permitted identifying a **stratum--** that is, lists that indicated the AFDC status and the date of the most recent order for each case. A random sample of **500-1,000** cases was screened manually to determine the proportion of the sample in each stratum, and the proportion out of the sample frame.<sup>2</sup> Separate interval samples were then selected from among the screened cases in each stratum. Twice as many cases as required were selected to allow for the possibility that **abstractors** might have to eliminate some cases based on the information in the case **files**.<sup>3</sup>

In another typical situation, the case list identified AFDC versus non-AFDC cases, but included all cases, whether or not they had orders, and did not indicate which cases had orders or the dates of the orders. With this type of list, a random sample of **500-1,000** cases was screened, and out-of-frame cases were eliminated to the extent possible. The proportions of cases that were AFDC and

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<sup>2</sup>**When** lists were provided on computer tape, a computer program screened all cases on the list.

<sup>3</sup>**Examples** of cases that might have been screened out on-site include those that were out-of-frame but not thus identified on the list (outgoing interstate cases could rarely be identified accurately), or cases that had changed to out-of-frame status between the time that the list was compiled and the date of the abstraction, or cases with missing files. Such problems occurred even with the best sample lists.

non-AFDC were tabulated. Separate interval samples of AFDC and **non-AFDC** cases were then drawn. We drew large enough samples so that we could be confident of finding a sufficient number of cases within each stratum to meet our goals. The first-stage samples from lists with incomplete information ranged from 4 to 10 times the sample size ultimately desired, depending on the completeness of the data.

The identifying information for cases selected from the sample lists was data-entered. The lists were then ordered randomly, and divided into replicates. Each replicate was then reordered in the same order as the case files in that office, for convenience in screening. This nonrandom ordering meant that it was necessary to abstract all valid cases in a replicate, in order for all cases to have equal probabilities of getting into the sample. At first, replicates of 50 cases, were typically released to the **abstractors**, but smaller replicates were released in some sites if the **abstractors** were close to filling some or all strata.

The **abstractors** screened cases in each replicate and kept a record of the screening process. If a stratum was at least 80 percent full at the end of a replicate, the abstractor was told to stop taking cases in that stratum in future replicates--but such decisions could be made only at the end of a replicate. Otherwise, all non-missing in-frame cases in the replicate were abstracted, even if doing so meant that the sample size exceeded the goal for some strata.

Cases for which information was too incomplete to be useful were not coded. To be counted as a completed abstraction, a case had to have at least payment records for the past year and information on the date and amount of the most recent order.

The sample sizes were cut back in some sites due to resource constraints in the midst of the abstraction effort. In sites where on-site screening was required to identify stratum membership, cutting back the sample meant the harder-to-find strata were underrepresented.

## D. WEIGHTS AND STANDARD ERRORS

Due to the highly clustered and stratified sample design for the case records data, it would be very misleading to analyze these data as if they were a simple random sample of the national population of **IV-D cases** with orders. **It was necessary to** reweight the sample to account for the unequal sample sizes in the various sites and states. It was also necessary that the effect of sample clustering on estimates of standard errors be considered, so that the level of analytical precision would not be overstated. This section first discusses how sample weights were constructed, and then discusses how the standard errors for the case records data were estimated.

### 1. Construction of the Sample Weights

The original state-level sampling plans described in Section A were derived whereby the overall sample would have been nationally representative had an approximately equal number of case record observations been obtained in each state. For the reasons discussed earlier, the actual sample sizes for the case records data in each state vary from a minimum of 65 cases to a maximum of 300 cases per state. In order to have best approximated the **representativeness** of the original state sample, the sample was reweighted so that each state had the same weighted sample size. Intuitively, because the states were selected with PPS, each of the large states in the sample represent a few large states, and each of the smaller states in the sample represent a larger number of small states. The weight for observations in a state was computed as the average sample size per state (the total sample divided by 11) divided by the sample size for that particular state.

To produce tabulations of the entire sample, it would have been desirable to weight observations in the four strata (defined by AFDC and **non-AFDC** status, and the pre-/post-1987 status of the most recent child support order) so that they reflected the overall population of IV-D cases with orders. While it would have been preferable to construct separate stratum weights for each state, the poor quality of the sample frame information made it impossible **to construct such weights accurately**. Instead, weighting was based on the proportions in each stratum at the national level. Data from the

fiscal year 1989 OCSE Annual Reports were used to estimate the proportion of cases with orders that are AFDC vs. non-AFDC cases (Office of Child Support Enforcement, 1990). Unfortunately, the OCSE data do not present any information on the age of orders that would facilitate estimating the proportion of pre- and post-1987 orders in the population. However, the 1988 CPS Child Support Supplement did include questions on the year in which the respondent had obtained her most recent order. The proportion of cases with orders in the most recent 31 months (from 1985 to 1987) in the CPS was used to approximate the proportion of cases with orders in the most recent 31 months (between January 1, 1987 and July 31, 1989) in our sample. This proportion was computed separately for AFDC and non-AFDC cases. The weight for each stratum in each state was the estimated proportion of cases in the stratum nationally, divided by the proportion of cases in the stratum in the state's sample. The final weight was the product of the stratum weight and the state weight.

## 2. Estimation of Standard Errors

Because it was not possible to include all of the planned case record sites in the final sample, the case record sample cannot in a formal sense be viewed as a nationally representative sample of cases. Nevertheless, in order to provide some estimate of the potential accuracy of the survey data for estimating the variables of interest, it is useful to estimate the degree of sampling error associated with the sample sizes obtained in the data collection work

Due to the multi-stage clustered sample design, the algorithms normally used to estimate variances and standard errors for variables estimated from simple random samples are not directly applicable to the case sample. In particular, these algorithms would produce estimates of standard errors that would be biased downwards, because they would not take into account the degree of clustering in the sample. Thus, it was desirable to develop an estimate of the "design effect," which is the proportionate increase in variance due to the clustering.

The design effect was approximated by implementing a procedure which focused on one level of the clustering. The approach used was based on the following formula, from Kish (1965):

$$(1) \text{ design effect} = [1 + \rho(B-1)],$$

where  $\rho$  is the proportion of total variance explained by cross-site (rather than within-site) variation, and B is the average number of observations per site.

The estimates of the design effect for variables associated with withholding were based on an analysis of four variables: whether cases had current withholding, whether cases had had withholding in the previous year, whether cases were in arrears by the amount of one month's support or more, and whether all the child support owed on the case during the previous year had been paid. The design effects were developed by regressing each of these variables on a set of binary variables corresponding to the 11 states.

The design effects for each variable were then estimated on the basis of equation (1), using the percentages of variances explained by the regressions ( $R^2$ ) as the estimates of  $\rho$ , and the average number of cases per state as the estimates of B.<sup>4</sup> The design effects for the four variables were then averaged in order to compute the estimated average design effect (i.e., 8) reported in the text of the report.

Analogous computations were used to estimate the design effects for variables associated with medical support outcomes. The two variables used in this analysis were (1) whether medical support was included in the petition for an order, and (2) whether medical support was included in the order.

While this approach will provide at least an approximate estimate of the variances at various sample sizes, several caveats should be noted: (1) as discussed earlier, the sample is not in any formal sense a random sample; (2) the above procedure can be expected to underestimate the design effect, because each application of the procedure is based only on one level of clustering (i.e., the state level); and (3) even abstracting from the first two issues above, the application of the Kish formula must be viewed as an approximation of the design effect, because, strictly speaking, it applies to a

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<sup>4</sup>The procedures described in the text were also followed for a version of the analysis in which the outcome variables were regressed on binary variables for each of the 30 sites. The state-based estimates of the design effects were larger and are thus those used in the **text**.



sample with equal cluster sizes, whereas the sample sizes for the case records sample vary substantially among sites.

### 3. Computing Confidence Intervals and the Significance of Differences between Subsamples

The 95 percent confidence intervals reported in Table II.9 were computed on the basis of the following formula:

$$(2) \quad \text{confidence interval} = 1.96 \sqrt{[p(1-p)/N]}.$$

In Section II.C, it is also estimated that the difference in a percentage between the AFDC and non-AFDC samples would have to be approximately 13 percentage points to be statistically significant, which was estimated as follows.

Let  $\bar{X}_A$  be the sample mean for the variable of interest for AFDC cases and  $\bar{X}_N$  be the sample mean for non-AFDC cases. Assume that the variable of interest, **DIFF**, is the difference between sample means for the **AFDC** and non-AFDC samples.

$$\mathbf{DIFF} = \bar{X}_A - \bar{X}_N$$

$$\mathbf{Var(DIFF)} = \mathbf{var}(\bar{X}_A) + \mathbf{var}(\bar{X}_N)$$

$$\mathbf{Var(DIFF)} = [\text{std. error } (\bar{X}_A)]^2 + [\text{std. error } (\bar{X}_N)]^2.$$

$$\text{Std. error(DIFF)} = \sqrt{[\text{std. error } (\bar{X}_A)]^2 + [\text{std. error } (\bar{X}_N)]^2}.$$

The observed difference is statistically significant at the 95 percent level if--

$$(\mathbf{DIFF}) / (\text{std. error(DIFF)}) > 1.96.$$

In the application of this equation in a test for statistical significance, the standard errors of  $\bar{X}_A$  and of the standard error  $\bar{X}_N$  can be computed from the confidence intervals shown in Table **II.9**. Entries in that table, divided by 1.96, give the standard errors associated with the sample means.

## APPENDIX B

### DATA **COLLECTION** METHODS AND RESULTS

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The Evaluation of the **1984** Child Support Enforcement Amendments entailed three interconnected data collection efforts: (1) the abstraction (coding) of information from child support enforcement case records, (2) a survey of local office staff, and (3) the collection of information on the wages of the obligors in the abstracted cases from State Employment Security Agency (SESA) databases. This appendix describes the instruments and methods used to collect data from each source. Local IV-D offices were recruited for all three phases of the data collection simultaneously. A description of the procedures used to obtain state-level support and recruit **local** IV-D offices for the study is presented in Section **A.3**.

## A. CASE RECORDS

This section discusses the contents of the IV-D case records abstraction form, the recruitment, training, and supervision of records **abstractors**, the recruitment of state and local IV-D offices, preliminary contacts with local offices, procedures for conducting records abstraction, and the results of the abstractions.

### 1. Case Record Abstraction Form

The case record abstraction form provided a format for coding case characteristics, payment histories, and IV-D office actions in a consistent manner. **The** form consists of nine modules, each addressing a related set of topics.<sup>1</sup> All modules were designed to be completed by the abstractor **in** the field, with a minimum of assistance from program staff.

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<sup>1</sup>**The** original form contained 13 modules. Modules designed to collect data on expedited processes for support/paternity establishment, guidelines, federal and state tax offsets, and the **1984** status of cases whose orders were dated prior to December **1984** were eliminated when it was determined that these data were not commonly included in the files.

a. Descriptions of Modules

First Module: Case Information. This module obtained basic identifying information on the case, such as the IV-D case or file number and the court record number. In addition, this section collected information on the current and former AFDC status of the case.

Second Module: Parent Information. These questions gathered identifying information on the natural or adoptive mother and the natural or adoptive father of the **child(ren)** in the case, including ages or birthdates, Social Security numbers, and marital status. Information was also collected to indicate whether the case was a foster-parent case.

Third Module: Information on the Children in the Case. This module collected identifying information, as well as current residence and paternity information, on the **child(ren)** included in the case at the time of abstraction.

Fourth Module: Support Order Information. This module focused on the terms of the support order in effect at the time of abstraction, including the date of the order, and the amount and frequency of the payment ordered. Similar information was also collected on the three most recent previous orders.

Fifth Module: **Expedited** Processes in Enforcement Actions. These questions collected a limited amount of information on formal enforcement actions filed since January **1, 1987**, including the date of the most recent request for an enforcement action, the entity with **which** the request was filed (e.g., a court or administrative hearings unit), the type of action requested (e.g., income withholding or levy and execution), the date and method for **notifying** the obligor, the date of the final disposition, and whether the action led to a collection.

Sixth Module: Income **Withholding** Information. This module focused on income currently being withheld from wages or other sources, including any discrepancies between the amount withheld and the amount of child support specified in the order. Information was also collected on previous

spells of withholding and previous withholding attempts, including the reason(s) that the withholding stopped or that attempts were not successful.

**Seventh Module: Medical Support.** This module gathered information on whether medical support was requested in any petition for a child support order still in effect, and it documented the reason (if available) that medical support was not requested. The information encompassed whether medical support was included in the current order, the types of coverage stipulated (e.g., hospital or medical), and existing sources of coverage. The module also recorded whether these data were transmitted to the Medicaid agency.

**Eighth Module: Payment and Arrearage Information.** This module collected a month-by-month payment history for the **12-month** period prior to the date of abstraction, including the amounts of payments made by the obligor and arrears accrued.

**Ninth Module: Locating Information.** These items recorded whether the file contained information on the obligor's current address, the use of various location services (e.g., the Federal Parent Location Service, the State Parent Locator Service, or private skip tracers), and the obligor's employment status and employer.

b. **Pretest of the Case Records Abstraction Form**

Three rounds of site visits were made to develop the case record abstraction form. In early **1988**, **MPR's** project and survey directors visited local IV-D offices in Pennsylvania, New Jersey, and Maryland to obtain the background information necessary for developing the form. During these visits, the project and survey director reviewed files and attempted to answer a simple list of questions using information in the files. MPR staff used the information to guide the logic and layout of the first draft of the abstraction form.

The first draft of the form was field-tested by **MPR's** subcontractor, Policy Studies, Inc. (PSI), an organization with substantial experience in the area of child support enforcement. In summer **1988**, PSI conducted extensive field tests of the instrument at IV-D offices in Arizona and Colorado.

The instrument was revised on the basis of these pretests, and **MPR** trainers conducted a final test of the instrument in winter 1989. **MPR** trainers also developed a question-by-question explanation of the abstraction form for training purposes.

## 2. Staffing

Data were abstracted **from** cases in 30 local offices in 11 states. This section describes how the data collection was managed, and how the case record **abstractors** were recruited and trained.

### a. Management

A survey director was responsible for serving as the liaison with the states, assigning and replacing the sample, and supervising coding and data entry. A survey manager assumed primary responsibility for maintaining liaison with local offices, and for hiring, training, and supervising **abstractors**. The survey director and survey manager shared responsibility for recruiting **abstractors**, developing training materials, scheduling site visits, and performing quality control and coding. The survey manager and survey director reported directly to the project director.

### b. Recruiting the Case Record Abstractors

A combination of current or former IV-D local office personnel, experienced field data collectors, and a small number of specially qualified personnel were recruited to perform the case records abstractions. Forty **abstractors** were hired. Of these, 43 percent (17) were current or former personnel in the offices in which they made the abstractions. These individuals were often used in the more remote sites. Fifty-three percent (21) of the **abstractors** were recruited from **MPR's** national network of seasoned data collectors. Five percent (2) of the **abstractors** had special skills or experience which made them well suited to the data abstraction task: one was a local para-legal, and the other had experience in abstracting information from medical records.



### c. Training the Case Record Abstractors

Since the abstraction of case records required both a general understanding of the IV-D program and specific knowledge of the files at a particular office, MPR relied on a combination of advance materials and on-site training to ensure that the abstraction form would be applied consistently across offices. This section describes the materials developed and the training procedures used.

A training packet was mailed in advance to each abstractor. Each packet contained background reading on the IV-D program and the purpose of the study, a glossary of important child support terms and concepts, and a question-by-question explanation of the abstraction form. **Abstractors** were asked to familiarize themselves with the material prior to training.

All training materials and procedures were developed by senior-level project staff. Training sessions were conducted by mid-level personnel familiar with child support enforcement and experienced in abstracting IV-D case records. The basic two-day training session covered:

- An introduction to the child support enforcement program, the 1984 amendments, and a review of terminology
- The purpose of the evaluation
- An item-by-item discussion of the abstraction form
- A review of office conventions and file organization, with actual files
- A discussion of and practice performing abstractions with actual files (including a review of completed practice abstractions by the trainer)
- An explanation of administrative procedures

If the **abstractors** were going to work in more than one local office, a third day was added to the training to allow for orientation and practice with abstracting files at the second office.

### 3. Data Collection Procedures

The case record abstraction data collection procedures fall into two broad categories: (1) those followed by MPR to schedule and prepare for on-site data abstraction, and (2) those followed by field

staff to conduct the case record abstractions. The particulars of each are described in the following sections.

a. Management Procedures

This section describes recruitment efforts at the state and local offices level, preliminary contacts with the offices to prepare for training, and the supervision of case record abstractions.

The recruitment of state and local IV-D offices took much longer than had been originally anticipated. On average, the entire process took four to six months--two months to gain verbal commitments from the state and local offices, and another two to four months to obtain the case listings necessary for sample selection.

State-Level Recruitment. Senior personnel **from** Policy Studies, Inc., who had previous experience in working with state IV-D directors, made the initial contacts by telephone. During these calls, PSI personnel explained the three phases of the study to the state OCSE director, offered to answer questions, and attempted to enlist support for the study. These calls were followed by a confirmation letter from the survey director at MPR to the state contact. The survey director then followed up with a telephone call to answer any questions from the state contacts, to enlist their cooperation, and to request a list of local offices and caseloads. A few states refused or were unable to participate and were replaced.

Local Office Recruitment. Local offices were selected from lists provided by the state (see Appendix A). Once the local offices were selected, **MPR's** survey director recontacted state officials to identify the offices that had been selected and to request permission to proceed with those offices. In general, MPR received permission to proceed with the offices that were originally selected. However, in a few instances, alternative offices had to be selected, due to problems associated with defining the caseload of the office, the reorganization of the office, or other demands on the office that would have made participation in the study overly burdensome. Each office was sent an advance letter to explain the three phases of the study and to request cooperation. The survey director or

manager followed up with a telephone call to the office director to reexplain the study, answer questions, and enlist the office's cooperation.

A list of all active cases being handled by the office was requested **from** each office that agreed to **participate**.<sup>2</sup> A sample of cases for abstraction was selected from these lists-(see Appendix A).

Preparatory Contacts for **Training**. It was necessary to collect a substantial amount of background information on each local office prior to training. As soon as the case list needed for selecting the sample was received, the survey manager or specified trainer contacted the office director to introduce him/herself, establish a designated office liaison, schedule on-site training, and obtain answers to a series of critical questions, such as the location of case files and whether information was available on automated systems or in the hard-copy file. Trainers also spent a day at the office alone prior to training, familiarizing themselves with the operational characteristics of the office, learning local procedures and terminology, and reviewing case files and any automated information systems in order to plan how the abstraction process should proceed.

Supervision of Case Record **Abstractors**. In addition to the feedback provided to the **abstractors** during training, trainers provided feedback to each abstractor on his/her first five to ten completed abstractions. **Abstractors** contacted the survey director or manager at least once a week to report screening rates, the number of abstractions completed in each stratum, hours per completed abstraction, the amount of active sample available, additional sample needs, and problems encountered. Senior staff at MPR met weekly to review progress and discuss problems encountered in the field.

#### b. Case Abstraction Procedures

A log that listed the cases to be screened was created for each local office. The abstractor initiated the abstraction process by screening the case for critical variables that determined eligibility

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<sup>2</sup>**Roughly** half of the case lists were actually provided by the local office. The remainder were provided by the state Office of Child Support Enforcement.

for inclusion in the study, and then classified the cases into one of four strata (AF'DC cases with orders before and after 1987, and non-AFDC cases with orders before and after 1987).<sup>3</sup> Cases were screened from hard-copy files at 50 percent (15) of the 30 offices, from automated information at 27 percent (8) of the offices, and from a combination of hard-copy and automated information at 23 percent (7) of the offices sampled.

Once the abstractor determined the eligibility and stratum of the case, he/she recorded this information on the log and, if appropriate, began abstracting the case. The abstraction process entailed coding each data item on the abstraction form according to information either from the hard-copy file or an automated system, as outlined during training.. At 73 percent (22) of the local **offices**, **abstractors** had to use information from both the hard-copy file and an automated information system to complete the abstraction. In 77 percent (17 of 22) of these offices, the information garnered from the automated system pertained primarily to payments and arrears. Abstractions were completed from hard-copy files alone at 13 percent (4) of the offices. Data on cases from the four remaining local offices were abstracted exclusively from a statewide automated information **system**.<sup>4</sup>

c. Quality Control, Coding, and Data Entry

Due to the complexity of the abstraction form, **MPR** initiated a multi-layered approach to quality control. A quality control clerk who had experience in abstracting records in the field read all completed case record abstractions for completeness, internal consistency, and errors in skip logic. The clerk also coded open-ended questions. Abstracts without problems were sent to data entry, while abstracts with unresolved problems were sent to the survey manager or survey director for review and resolution. The survey director and manager often placed calls to the office personnel or **abstractors** in an effort to resolve or **clarify** specific problems. Cases which still could not be

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<sup>3</sup>Although this information was sometimes available from the case listings used to select the sample, the information was still verified in the field.

<sup>4</sup>In fact, these data were collected at the state IV-D offices, not the local offices.

resolved at this level were discussed with senior project staff during weekly project meetings. Whenever possible, cases with unresolved problems were resubmitted to the abstractor in the field for reconciliation with the original record. All data were entered with key-edit machines, with 100 percent verification. The data were then automatically checked for skip logic, range, and consistency.

#### 4. Case Record Abstraction Results

A total of 1,917 cases were abstracted in the 30 selected local offices. Eleven (11) cases were dropped during the analysis, because all children in the case were over 21, Table B.1 summarizes the results of the effort.

### B. OFFICE SURVEYS

The following sections describe the content of and data collection procedures for the survey of IV-D offices.

#### 1. The Office Interview Form

The purpose of the IV-D office survey was to obtain (1) procedural and operational information on the offices in which cases were abstracted in order to inform the analysis of the case-level data, and (2) information on office staffs perceptions of the factors that enhanced or inhibited effective administration of the program. Designed to be self-administered, the office survey form consisted of four modules (each addressing a related set of topics), so that the different modules could be distributed to office personnel who had a particular knowledge of or experience with a given topic? A brief description of each module and pretest procedures follows.

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<sup>5</sup>The original form contained eight modules. Modules designed to collect data on expedited processes, guidelines, and federal and state tax offsets were eliminated when these topics were dropped from the project scope.

TABLE B.1  
SUMMARY OF CASE ABSTRACTIONS

	State	office. Number	Number of Completed Abstractions				Number Determined to be out of Frame	Number of Lost, Unavailable, or Incomplete Files	Number Not Abstracted Because Stratum Quota <b>Already</b> Filled	status Not Determined
			Number Released to <b>Abstractors</b>	Field Completes	<b>Abstractions</b> Dropped During Analysis	Total Available for Analysis				
B 12	A	1	100	78	0	78	21	1	0	0
		2	50	36	0	36	14	0	0	0
		Total	150	114	0	114	35	1	0	0
	B	1	300	<b>50</b>	<b>0</b>	<b>50</b>	216	<b>34</b>	<b>0</b>	0
		2	311	<b>84</b>	<b>0</b>	<b>84</b>	0	0	<b>0</b>	227
		Total	611	134	<b>0</b>	134	216	<b>34</b>	<b>0</b>	227
	C	1	<b>50</b>	44	<b>0</b>	44	6	0	<b>0</b>	0
		2	85	59	<b>1</b>	58	23	3	<b>0</b>	0
		3	<b>50</b>	41	<b>0</b>	41	5	4	<b>0</b>	0
		4	100	45	<b>0</b>	45	18	2	<b>0</b>	35
		Total	<b>285</b>	189	<b>1</b>	188	52	9	<b>0</b>	35
	D	1	<b>50</b>	24	0	24	26	0	0	0
		2	100	87	0	87	13	0	0	0
		Total	150	111	<b>0</b>	111	<b>39</b>	<b>0</b>	0	<b>0</b>
	E	1	85	68	<b>0</b>	68	16	<b>1</b>	0	<b>0</b>
		2	50	44	<b>0</b>	44	4	<b>2</b>	0	<b>0</b>
		3	<b>50</b>	33	<b>0</b>	33	14	<b>3</b>	0	<b>0</b>
		4	80	46	<b>0</b>	46	27	<b>0</b>	7	<b>0</b>
		Total	265	191	<b>0</b>	191	61	<b>6</b>	7	<b>0</b>
	F	1	200	66	<b>1</b>	65	113	<b>0</b>	21	<b>0</b>
		2	100	32	<b>0</b>	32	68	<b>0</b>	0	<b>0</b>
		Total	300	98	<b>1</b>	97	181	<b>0</b>	21	<b>0</b>

TABLE B.1 (continued)

	State	Office Number	Number Released to Abstractors	Number of Completed Abstractions			Number Determined to be out of Frame	Number of Lost, Unavailable, or Incomplete Files	Number Not Abstracted Because Stratum Quota Already Filled	status Not Determined
				Field Completes	Abstractions Dropped During Analysis	Total Available for Analysis				
w 13	G	1	280	150	1	149	84	5	40	0
		Total	280	150	1	149	84	5	40	0
	H	1	119	72	2	70	12	0	36	0
		2	114	69	3	66	18	1	26	0
		3	130	84	0	84	24	1	21	0
		4	135	71	3	68	44	0	20	0
		Total	498	2 %	8	288	98	2	103	0
	I	1	400	148	0	148	197	21	35	0
		2	235	65	0	65	118	1	51	0
		3	150	65	0	65	69	5	11	0
		Total	785	278	0	278	384	27	97	0
	J	1	50	20	0	20	23	7	0	0
		2	100	45	0	45	51	4	0	0
		Total	150	65	0	65	74	11	0	0
	K	1	430	61	0	61	254	1	114	0
		2	315	121	0	121	127	1	66	0
		3	210	54	0	54	103	0	53	0
		4	80	55	0	55	12	0	12	0
		Total	1,035	291	0	291	496	2	245	0
		TOTALS	4,509	1,917	11	1,906	1,719	97	513	262

NOTE: The names of the sample states and local offices are confidential.

a. Descriptions of Modules

Module I: General Issues/TV-D Operational Structure. This module collected information on office operations and procedures, including the agencies responsible for each aspect of IV-D operations, and basic program statistics (e.g., staffing levels, staff salaries, and caseloads).

Module II: Income Withholding. These questions collected information on procedures for implementing and enforcing income withholding, the requirements of local policies or state law that govern income withholding, statistics on withholding (e.g., the percentage of cases with income withholding, the time required to process such cases, and the number of withholding requests received from other states), and information on perceived institutional or procedural constraints on the effectiveness of income withholding.

Module III: Medical Support Enforcement. This module focused on statutory requirements for medical support, mechanisms for reviewing the provision or **availability** of medical support, statistics on medical support (e.g., the percentage of cases in which medical support is requested in the petition for support, and the number of support orders which include medical support obligations), and information on perceived institutional or procedural constraints against increasing medical support collections.

Module IV: Non-AFDC Services. This module collected information on the office's provision of services in non-AFDC IV-D cases. The topics included the types and frequency of efforts to publicize the availability of IV-D services to potential non-AFDC applicants, the types of services provided, basic statistics (e.g., the number and types of staff assigned to **non-AFDC** functions and the proportion of staff time devoted to non-AFDC work), and perceived institutional or procedural constraints that limit the success of the non-AFDC program.

b. Pretest of the IV-D Office Survey Form

The initial draft of the IV-D office survey form was designed by Policy Studies, Inc. A pretest was conducted by senior staff from PSI during summer **1988**. Local offices in Arizona and Colorado



participated in the pretest. MPR pretested the form in Vermont. Subsequent revisions were made and the **final** form prepared by MPR project staff.

## 2. Staffing

The survey manager had primary responsibility for the IV-D office survey data collection effort. No additional staff were hired or trained. The survey manager was responsible for contacting the offices, mailing questionnaire packets, monitoring completed surveys received, and recontacting respondents to obtain missing or to clarify information. The survey director supervised all clerical and data-entry procedures. The survey director and survey manager reported progress and problems directly to senior project staff at weekly meetings.

## 3. Data Collection Procedures

This section describes the procedures followed by management to achieve maximum completion rates for the IV-D office survey and to prepare data files from the completed instruments. Since the survey was designed to be self-administered, no formal data collection by MPR staff was necessary beyond callbacks made by the survey manager to obtain answers for missing or confusing responses.

### a. Management Procedures

When the case abstraction data collection was completed at offices, the survey manager telephoned the designated office liaisons to thank them for their offices' cooperation during the **case-**level data collection process and to inform them that the next phase of the study, the office survey, would begin shortly. The survey manager also provided a brief description of the office survey form and answered questions about the survey. Shortly after this telephone conversation, the survey manager mailed a questionnaire packet to the office. Questionnaire packets contained both a letter that described the IV-D office survey and a copy of the questionnaire. Approximately two weeks after the survey packet was mailed to the office, the survey manager made a follow-up telephone call to the office liaison to determine whether the packet had been received and to answer any questions

about the survey form. The survey manager made additional reminder calls about every two weeks to answer questions and ascertain the status of the various modules. **In** a few instances, modules were distributed to several individuals within the IV-D office or other offices (e.g., the court or enforcement division), and several calls were required to ascertain the status of all four modules.

b. Quality Control, Coding, and Data Entry

Senior project staff read all completed office survey forms to confirm that all applicable questions were answered, skip logic was followed, open-ended answers were complete, calculations were accurate, and all data items were consistent with each other and adhered to a logical pattern. Whenever possible, this initial review was conducted by the staff member most familiar with the office. Approximately 70 percent of the office surveys required recontact by the survey manager to obtain missing, clarifying, or elaborative information.

All surveys were data-entered and subjected to a series of range and consistency checks that had been built into the data entry program. Responses to open-ended questions were recoded where possible; those for which no appropriate code applied were entered as text. A final review of the coding of all open-ended responses was conducted by senior staff **from** MPR and PSI, and appropriate changes were made prior to the analysis.

4. The Results of the IV-D Office Survey

IV-D office surveys were mailed to each of the 30 offices in which case-level data were collected. Completed surveys were received **from** 97 percent (29) of those offices.

C. WAGE DATA

Wage information was collected for the obligors in the cases abstracted from State Employment Security Agency databases. The purpose of collecting these data was to assess how often offices were pursuing income withholding in cases with arrears when earnings existed. This section discusses the

collection of these wage data, including advance preparations, management, and the results of the data collection.

## 1. Wage Reporting Form

Wage data were collected on each obligor for the four most recent quarters available. IV-D or MPR personnel extracted the data from automated state wage reporting systems, which were accessed either through local offices or centrally at the state office. Data were generated either from printouts of relevant screens or from data that were transcribed directly onto a standard form developed by MPR. The data clerks at MPR also used this form to organize information from screen printouts prior to data-entry. The development of the standard form is discussed below.

### a. Development of the Wage Reporting Form

A preliminary discussion between the survey manager and two experts on state wage reporting conventions from the University of Maryland indicated that dollar amounts would be reported either by employer within a quarter or as aggregate earnings for all employers in a quarter. For this reason, MPR designed a very simple form that contained identifying information at the top, and four columns (one for each quarter) for reporting either dollar amounts by employer or aggregate amounts across the bottom. Although no formal pretest of this form was conducted, one abstractor was asked to test the form on-site and to provide feedback

## 2. Staffing

No additional staffing was required for the wage data collection effort. Case **abstractors** were called upon to perform work in the field when necessary, and **MPR** data clerks were utilized to process information received from state and local offices.

#### a. Management

The survey manager was responsible for training case **abstractors** to use the wage reporting form. The survey manager and a research analyst shared responsibility for contacting state and/or local office personnel responsible for supplying wage data, and for supervising **abstractors'** efforts to obtain the data. The survey director obtained wage data from the states, and supervised all clerical and **data-entry** work at MPR. The survey director, survey manager, and research analyst reported progress and problems directly to senior project staff during weekly project meetings.

#### b. Training Abstractors to Obtain Wage Data

Since the case records abstraction training entailed training on the automated systems from which wage data were obtained, **abstractors** required very little additional training. Training usually consisted of a brief telephone call from the survey manager to explain the form. The survey director held a similar discussion of the wage reporting form with clerical and data-entry staff.

### 3. Data Collection Procedures

This section describes the procedures followed by MPR staff in working with IV-D personnel and case records **abstractors** to collect wage data.

#### a. Management Procedures

The necessity of collecting wage data for the obligors in the abstracted cases and the best source of the requisite information were discussed with IV-D officials at both the state and office levels during the introductory phase of the study. The survey manager or research analyst reconfirmed these elements with the local office and/or state personnel upon the completion of the case record abstraction process, including the source of the data, **responsibility** for assembling the data (i.e., IV-D or MPR personnel), and the information on the obligor that was necessary to access wage data.

Once all the completed abstraction forms and logs had been received for a given office, a data clerk transcribed the necessary information on the **obligor** (usually the name and Social Security

number) from the abstraction form directly onto the log(s). This information, along with identifying information from the log (including office and case identifiers), was then data-entered. Data entry personnel produced two lists: one sorted alphabetically by the obligor's last name, and one sorted sequentially by Social Security number. Copies of these lists were mailed to the designated **IV-D** personnel or MPR abstractor(

b. Wage Data Extraction Procedures

As indicated previously, wage data were collected at either the state or local office level by IV-D or MPR personnel, in the form of screen printouts from an automated system or direct transcriptions on the standard wage reporting form developed by MPR. This section summarizes the type of data collected by IV-D and MPR personnel, and the results of the data collection effort. Table **B.2** summarizes the location of data collection, the personnel used to collect the data, and the form of the data provided by each site.

Data Collected by IV-D Personnel. IV-D state/office-level personnel provided MPR with **hard-**copy printouts of relevant wage screens for each obligor for whom they had a record.

Data Collected by MPR Case Abstractors. MPR's case **abstractors** either transcribed wage data directly from an on-line system to the wage reporting form or provided printouts of relevant wage screens from the automated system (depending on the availability of printers and computer time).

c. Quality Control, Coding, and Data Entry

The data clerk manually cross-checked all the forms/printouts received with the original list to ensure a match with the desired obligor. All wage reporting forms were immediately submitted to data entry while the data clerk transcribed screen printouts to the standard wage reporting form prior to submitting them for data entry. Once the standard forms had been data-entered, an automated crossmatch was conducted with the original list of obligors, and subjected to a series of range and consistency checks built into the program.

TABLE B.2

## WAGE DATA COLLECTION LOCATION, PERSONNEL, AND TYPE

	Number of <b>Offices</b>	States
Wage Data Collected from:		
State office	24	8
Local office	6	3
Personnel Used		
IV-D staff	24	8
MPR <b>abstractors</b>	6	3
Type of Data Received		
Screen printout	26	9
Transcription	4	2

#### 4. Wage Data Results

Attempts to obtain wage data for the obligor in each case abstraction produced at least some information in approximately 93 percent of the cases. Wages were reported by quarter and employer for 52 percent of the **obligors**. Aggregate wages by quarter were reported for 8 percent of the obligors, and an indication that the obligor had no earnings during the four-quarter period was obtained for 32 percent of the obligors. For 6 percent of the **obligors** no match was found in the database; for one percent of the cases, the name and Social Security number provided did not match.

**APPENDIX C**  
**SUPPLEMENTAL DATA TABLES**





TABLE C.1

**NUMBER OF IV-D OFFICES THAT USE OTHER AGENCIES FOR  
PARTICULAR CHILD SUPPORT ENFORCEMENT FUNCTIONS**

(Entries Are Numbers of Lead Agencies in the Column Heading that Delegate the Specific Functions Indicated)

		Lead Agency That Houses IV-D Office					
IV-D Function Delegated	All IV-D Offices	State Social Service Agency	State Attorney General	County Social Service Agency	County Attorney or Prosecuting Attorney	County Child Support Agency	Court
Intake							
AFDC cases	4	0	4	0	0	0	0
Non-AFDC cases	4	2	0	1	0	1	0
Initial Location							
AFDC cases	4	3	0	0	0	1	0
Non-AFDC cases	5	3	0	0	0	2	0
initiating Petitions for Support							
AFDC cases	8	5	0	2	0	1	0
Non-AFDC cases	9	5	0	3	0	1	0
Representing the IV-D Agency in the Establishment of Orders							
AFDC cases	15	8	0	3	0	4	0
Non-AFDC cases	17	8	0	5	0	4	0
Presiding Over Order Establishment Hearings							
AFDC cases	22	8	4	5	1	4	0
Non-AFDC cases	22	8	4	5	1	4	0
Initiating Petitions for Paternity Establishment							
AFDC cases	10	6	0	2	0	2	0
Non-AFDC cases	11	6	0	3	0	2	0
Representing the IV-D Agency in Paternity Establishment							
AFDC cases	16	8	0	3	0	4	1
Non-AFDC cases	18	8	0	5	0	4	1
Presiding Over Paternity Establishment Hearings							
AFDC cases	28	13	4	6	1	4	0
Non-AFDC cases	28	13	4	6	1	4	0
Initiating Income Withholding							
AFDC cases	9	5	0	2	0	2	0
Non-AFDC cases	10	5	0	3	0	2	0

TABLE C.1 (continued)

N-D Function Delegated	All IV-D Offices	Lead Agency That Houses IV-D Office					Court
		State Social Service Agency	State Attorney Geneml	County Social Service Agency	County Attorney or Prosecuting Attorney	County Child Support Agency	
Receipt of Support Payments							
AFDC cases	18	8	4	1	1	4	0
Non-AFDC cases	18	8	4	1	1	4	0
Disbursing Support Payments							
AFDC cases	9	3	0	1	1	4	0
Non-AFDC cases	10	4	0	1	1	4	0
Number of Offices	29	13	4	6	1	4	1

SOURCE: MPR surveys of local N-D office staff, completed largely in fall and winter 1990-1991.

TABLE C2

COMPARISON OF STATE-LEVEL PROGRAM DATA FOR THE CASE RECORDS **SAMPLE**  
AND THE NATIONAL POPULATION

	State Sample		Nationwide	
	Number of states	Percent of Case <b>Sample<sup>a</sup></b>	Number of <b>States<sup>b</sup></b>	Percent of National <b>Population<sup>c</sup></b>
Caseload per Staff Member				
Under <b>200</b>	<b>1</b>	<b>9.1 %</b>	<b>2</b>	<b>1 %</b>
<b>200-299</b>	<b>4</b>	<b>36.4 %</b>	<b>22</b>	<b>4.6 %</b>
300-399	<b>3</b>	<b>27.3 %</b>	<b>15</b>	<b>25.9 %</b>
400-499	<b>2</b>	<b>18.2 %</b>	<b>4</b>	<b>7.3 %</b>
<b>500-599</b>	<b>1</b>	<b>9.1 %</b>	<b>5</b>	<b>13.4 %</b>
<b>600-699</b>	<b>0</b>	<b>0 %</b>	<b>2</b>	<b>4.2 %</b>
<b>700+</b>	<b>0</b>	<b>0 %</b>	<b>1</b>	<b>2.3 %</b>
Mean		340		346
Collections per Case				
<b>\$101-\$200</b>	<b>1</b>	<b>9.1 %</b>	<b>5</b>	<b>10.3 %</b>
<b>\$201-\$300</b>	<b>3</b>	<b>27.3 %</b>	<b>11</b>	<b>23.7 %</b>
<b>\$301-\$400</b>	<b>0</b>	<b>0 %</b>	<b>8</b>	<b>6.4 %</b>
<b>\$401-\$500</b>	<b>2</b>	<b>18.2 %</b>	<b>8</b>	<b>29.1 %</b>
<b>\$501-\$600</b>	<b>0</b>	<b>0 %</b>	<b>5</b>	<b>9.2 %</b>
<b>\$601-\$700</b>	<b>2</b>	<b>18.2 %</b>	<b>6</b>	<b>8.7 %</b>
<b>\$701-\$800</b>	<b>3</b>	<b>27.3 %</b>	<b>7</b>	<b>11.6 %</b>
<b>\$801+</b>	<b>0</b>	<b>0 %</b>	<b>1</b>	<b>1.1 %</b>
Mean		<b>\$480</b>		\$437
Percent of Cases with Collections				
Under 10%	<b>1</b>	<b>9.1 %</b>	<b>5</b>	<b>9.3 %</b>
<b>10-14%</b>	<b>2</b>	<b>18.2 %</b>	<b>11</b>	<b>23.2 %</b>
<b>15-19%</b>	<b>4</b>	<b>36.4 %</b>	<b>14</b>	<b>34.7 %</b>
<b>20-24%</b>	<b>2</b>	<b>18.2 %</b>	<b>12</b>	<b>26.5 %</b>
<b>25-29%</b>	<b>1</b>	<b>9.1 %</b>	<b>2</b>	<b>1.9 %</b>
<b>Over 30%</b>	<b>1</b>	<b>9.1 %</b>	<b>7</b>	<b>4.5 %</b>
Mean		19.5 %		18.6 %
Expenditures per Case				
Under \$50	<b>0</b>	<b>0 %</b>	<b>1</b>	<b>2.3 %</b>
<b>\$51-\$75</b>	<b>1</b>	<b>9.1 %</b>	<b>7</b>	<b>17.0 %</b>
<b>\$76-\$100</b>	<b>3</b>	<b>27.3 %</b>	<b>10</b>	<b>17.6 %</b>
<b>\$101-\$125</b>	<b>2</b>	<b>18.2 %</b>	<b>9</b>	<b>18.0 %</b>
<b>\$126-\$150</b>	<b>3</b>	<b>27.3 %</b>	<b>8</b>	<b>18.2 %</b>
<b>\$151-\$175</b>	<b>0</b>	<b>0 %</b>	<b>6</b>	<b>5.2 %</b>
\$176-\$200	<b>0</b>	<b>0 %</b>	<b>3</b>	<b>14.2 %</b>
<b>\$201-\$225</b>	<b>2</b>	<b>18.2 %</b>	<b>5</b>	<b>6.1 %</b>
<b>\$226-\$250</b>	<b>0</b>	<b>0 %</b>	<b>2</b>	<b>1.5 %</b>
Mean		\$126		<b>\$128</b>

TABLE C2 (continued)

	State <b>Sample</b>		Nationwide	
	Number of States	Percent of Case <b>Sample<sup>a</sup></b>	Number of States <sup>b</sup>	Percent of National Population <sup>c</sup>
Collections <b>per</b> Dollar Spent	<b>1</b>			
<b>\$1-\$1.99</b>	<b>5</b>	9.1 %	3	2.2 %
<b>\$2.00-\$2.99</b>		45.5 %	18	50.8 %
<b>\$3.00-\$3.99</b>	2	18.2 %	18	23.4 %
<b>\$4.00-\$4.99</b>	0	0 %	6	4.9 %
<b>\$5.00-\$5.99</b>	0	0 %	2	3.3 %
<b>\$6.00-\$6.99</b>	1	9.1 %	2	6.7 %
<b>\$7.00-\$7.99</b>	0	0 %	0	0 %
<b>\$8.00+</b>	2	18.2 %	2	8.7 %
Mean		\$4.12		\$3.52

SOURCE: OCSE Annual Report for FY1989, Volume II, Tables **8, 27, 45**, SO, and 65.

<sup>a</sup>**Percent** of weighted case records sample located in states with the **specified state** characteristic.

<sup>b</sup>**The** national figures exclude Guam, Puerto Rico, and the Vii Islands, but include the District of **Columbia**.

<sup>c</sup>**Percent** of national population of mothers with children **of** noncustodial fathers located in states with the **specified state** characteristics. The distribution of mothers with children of noncustodial fathers is based on data from the 1986 CPS Child Support Supplement, **since these** data were **also** used in the state sampling.

TABLE C.3

## TRENDS IN WITHHOLDING COLLECTIONS FROM OCSE PROGRAM DATA

	FY 1986	FY 1987	FY 1988	FY 1989
<b>Caseload</b>				
AFDC	7,220,458	7,654,863	7,500,625	7,607,606
Percent change since last year	15.7	6.0	2.0	1.4
Non-AFDC	2,503,432	2,980,519	3,576,978	4,261,748
Percent change since last year	16.0	19.1	20.0	19.1
Total	9,723,890	10,635,382	11,077,603	11,869,354
Percent change since last year	15.8	9.4	4.2	7.1
<b>Collections from Income Withholding (in 1989 dollars)</b>				
AFDC	\$310,030,306	\$444,061,774	\$543,998,840	\$621,932,803
Percent change since last year		43.2	22.5	14.3
Non-AFDC	\$514,725,504	\$827,059,209	\$1,210,547,282	\$1,522,464,052
Percent change since last year		60.7	46.4	25.8
Total	\$824,755,811	\$1,277,069,661	\$1,754,654,842	\$2,144,396,605
Percent change since last year		54.8	37.4	22.2
<b>Collections from Unemployment Insurance Compensation (in 1989 dollars)</b>				
AFDC	\$17,554,690	\$21,243,815	\$21,032,072	\$24,344,839
Percent change since last year		21.0	(1.0)	15.8
Non-AFDC	\$13,874,535	\$19,439,423	\$23,308,868	\$29,434,295
Percent change since last year		40.1	19.9	26.3
Total	\$31,416,636	\$40,809,476	\$44,349,004	\$53,779,134
Percent change since last year	5.9	29.9	8.7	21.3

TABLE C.3 (continued)

	FY 1986	FY 1987	FY 1988	FY 1989
<b>Income Withholding Collections Per Case</b>				
AFDC	\$43	\$58	\$73	\$82
Percent change since last year		34.9	25.9	12.3
Non-AFDC	<b>\$206</b>	\$277	5338	\$357
Percent change since last year		34.5	22.0	5.6
Total	<b>\$85</b>	<b>\$120</b>	\$158	\$181
Percent change since last year		41.2	31.7	14.6
<b>Unemployment Compensation Collections Per Case</b>				
AFDC	<b>\$2</b>	\$3	\$3	\$3
Percent change since last year		50.0	0.0	0.0
Non-AFDC	<b>\$6</b>	\$7	\$7	<b>\$7</b>
Percent change since last year		16.7	0.0	0.0
Total	\$3	<b>\$4</b>	\$4	\$5
Percent change since last year	-25.0	33.3	0.0	25.0

SOURCE: OCSE Annual Reports for **fiscal years 1986, 1987, 1988**, and 1989, Volume II. In **particular:**

Caseload Data: FY87 Report, Tables **27, 29, 31**  
FY89 Report, Tables **45-49**

Income Withholding and Unemployment Insurance Compensation Collections:

**FY86** Report, Tables 11-12  
FY87 Report, Tables **14-16**  
**FY88** Report, Tables 14-16  
**FY89** Report, Tables **20-24**

NOTE: Collections data have been converted to **FY 89 dollars** using the Consumer Price Index.

TABLE C.4  
PROCEDURES FOR MONITORING WITHHOLDING

How is Withholding Monitored?	Number of Sample Offices	Percent of Sample Offices
Computer-Generated Delinquency Reports	10	35 %
Manual Check of Computer Records	11	38
Manual Check of Hard-Copy Records	6	21
Other	2	7
Number of Offices Reporting	29	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

NOTE: Staff were asked to respond concerning withholding procedures in use in 1989, before the implementation of the Family Support Act.



TABLE C.5  
AVAILABILITY OF EMPLOYMENT INFORMATION FOR NON-IMMEDIATE CASES  
WITH REQUIRED ARREARS

		Employer Name in Case File				Total
		Yes	Not Working	No	Missing/Not Determined	
<b>AFDC Cases</b>						
Earnings in Wage Records	<b>Yes</b>	<b>126</b>	<b>28</b>	<b>40</b>	2	197
	(Row %)	<b>(64%)</b>	(14%)	(21%)	(1%)	(100%)
	<b>(Col %)</b>	<b>(59%)</b>	(40%)	(26%)	(76%)	(45%)
	No	<b>77</b>	40	99	1	216
	<b>(Row %)</b>	(35%)	(19%)	(46%)	<b>(&lt;1%)</b>	(100%)
	<b>(Col %)</b>	(36%)	(57%)	(64%)	(24%)	(49%)
	<b>Missing</b>	9	3	16	0	28
	<b>(Row %)</b>	(34%)	(9%)	(57%)	(0%)	<b>(100%)</b>
	<b>(Col %)</b>	(4%)	(4%)	(10%)	(0%)	(6%)
	<b>Total</b>	212	71	155	3	441
	<b>(Row %)</b>	(48%)	(16%)	(35%)	(1%)	(100%)
<b>Non-AFDC Cases</b>						
Earnings in Wage Records	<b>Yes</b>	<b>201</b>	43	59	6	309
	(Row %)	(65%)	(14%)	(19%)	(2%)	(100%)
	<b>(Col %)</b>	(55%)	(43%)	(31%)	(57%)	(46%)
	No	145	56	112	4	318
	<b>(Row %)</b>	(46%)	(18%)	(35%)	(1%)	<b>(100%)</b>
	<b>(Col %)</b>	(40%)	(55%)	(58%)	(43%)	(47%)
	<b>Missing</b>	21	2	23	0	46
	<b>(Row %)</b>	(46%)	(5%)	(49%)	(0%)	<b>(100%)</b>
	<b>(Col %)</b>	(6%)	(2%)	(12%)	(0%)	(7%)
	Total	368	101	194	10	673
	<b>(Row %)</b>	(55%)	(15%)	(29%)	(2%)	(100%)

**SOURCE:** State Employment Security Agency wage records data, and weighted tabulations from MPR case records abstracts of 1,906 active IV-D cases with orders, abstracted from **February** to November 1990.

TABLE C6

## THE AVAILABILITY OF EMPLOYMENT INFORMATION FOR CASES SUBJECT TO IMMEDIATE WITHHOLDING

		Employer Name in Case File				
		Yes	Not Working	No	Missing/Not Determined	Total
AFDC Cases						
Earnings in Wage Records	Yes	39	10	4	7	60
	(Row %)	(65%)	(17%)	(6%)	(11%)	(100%)
	(Col %)	(77%)	(52%)	(26%)	(95%)	(65%)
	No	7	8	8	(<1)	23
	(Row %)	(28%)	(36%)	(34%)	(2%)	(100%)
	(Col %)	(13%)	(42%)	(57%)	(5%)	(25%)
	Missing	5	1	2	0	9
	(Row %)	(61%)	(13%)	(26%)	(0%)	(100%)
	(Col %)	(10%)	(6%)	(17%)	(0%)	(9%)
	Total	51	20	14	7	92
	(Row %)	(55%)	(22%)	05%)	(8%)	(100%)
Non-AFDC Cases						
Earnings in Wage Records	Yes	42	7	10	22	81
	(Row %)	(52%)	(8%)	(13%)	(27%)	(100%)
	(Col %)	(66%)	(57%)	(48%)	(77%)	(64%)
	No	13	5	9	5	32
	(Row %)	(39%)	(16%)	(29%)	(14%)	(100%)
	(Col %)	(20%)	(43%)	(43%)	(17%)	(25%)
	Missing	9	0	2	2	13
	(Row %)	(71%)	(0%)	(16%)	(13%)	(100%)
	(Col %)	(14%)	(0%)	(9%)	(6%)	(10%)
	Total	63	12	22	29	125
	(Row %)	(51%)	(9%)	(17%)	(22%)	(100%)

SOURCE: State Employment Security Agency wage records data, and weighted tabulations from MPR case records abstracts of 1,906 active IV-D cases with orders, abstracted from February to November 1990.

TABLE C.7

## ARREARS BY CURRENT WITHHOLDING STATUS

	Immediate Withholding Cases		Non-Immediate Withholding Cases	
	AFDC Cases	Non-AFDC Cases	AFDC Cases	Non-AFDC Cases
Cases with Current Withholding				
Amount of Current Arrears				
No arrears	10 %	35 %	22 %	24 %
Less than 1 months	17	20	17	21
1 month to < 12 months	39	17	33	26
12 months or more	27	23	26	25
Missing/not determined	7	4	3	4
Number of Cases	33	58	157	396
Cases Without Current Withholding				
Amount of Current Arrears				
No arrears	5 %	7 %	5 %	13 %
Less than 1 month	1	3	1	<b>5</b>
1 month to < 12 months	20	23	17	16
12 months or more	69	63	75	63
Missing/not determined	<b>5</b>	<b>5</b>	2	2
Number of Cases	51	<b>59</b>	412	604

SOURCE: Weighted tabulations from **MPR** case records abstracts of 1,906 active **IV-D** cases with **orders**, abstracted from February to November 1990.

**NOTE:** An “immediate withholding case” is defined as a case in a jurisdiction in which immediate withholding was required as of the date of the case’s current support order. All other cases are defined as “non-immediate withholding cases.”

TABLE C.8

## THE EXTENT OF INCOME WITHHOLDING FROM NON-WAGE SOURCES

	AFDC	Non-AFDC
Cases Subject to Immediate Wage Withholding		
Percentage with non-wage withholding in effect	1 %	3 %
Number of Cases in Sample	92	125
Cases Not Subject to Immediate Wage Withholding		
Percentage with non-wage withholding in effect	2 %	4 %
Number of Cases in Sample	613	1,075

SOURCE: Weighted tabulations from MPR case records abstracts of 1,906 active IV-D cases with orders, abstracted from February to November 1990.

NOTE: An "immediate withholding case" is identified as a case in a jurisdiction in which immediate withholding was required as of the date of the case's current support order. All other cases are defined as "non-immediate withholding cases."

Of 58 cases with non-wage withholding, 48 involved withholding from Unemployment Compensation. The other 10 involved withholding from pension, disability, worker's compensation, or military benefits.

TABLE C.9

REASONS THAT WITHHOLDING WAS NOT ATTEMPTED  
DURING THE 12 MONTHS PRIOR TO DATA COLLECTION  
FOR IMMEDIATE WITHHOLDING CASES

	Percent of Cases with No Withholding Attempted	
	AFDC Cases	Non-AFDC Cases
Arrearage Paid Before Withholding Was Attempted	5 %	6 %
Obligor Not Found	13	11
Obligor Employer Unknown	4	3
Obligor Not Employed	30	9
No Unemployment Insurance	8	0
Obligor Makes Regular Payments	3	4
Obligor Self-Employed	2	7
Obligor Works Odd Jobs	0	0
Obligor in Jail	8	1
Other	5	6
Reason Not Determined	48	67
Number of Cases with No Withholding Attempt	36	37

SOURCE: Weighted tabulations from MPR case records abstracts of 1,906 active IV-D cases with orders, abstracted from February to November 1990.

NOTE: More than one reason could be indicated. Percentages may thus sum to over 100 percent.

TABLE C.10  
MEANS AND STANDARD DEVIATIONS OF VARIABLES  
USED IN THE REGRESSION ANALYSIS  
(unweighted)

Variable	Mean	Standard Deviation
Mother's Age	32.4	6.6
Father's Age	35.5	7.5
<b>Obligor</b> is Male	0.98	0.12
Child Lives with Neither Parent	0.03	0.16
Number of Children Born Before Most Recent Order	1.5	0.79
Age of Youngest Child	9.3	4.5
Parents Ever Married	0.61	0.49
Time Since Most Recent Order (Years)	4.2	3.2
Current Order is First Order	0.60	0.49
Interstate Case	0.10	0.30
Earnings in 4 Quarters (thousands)	9.0	11.4
No Earnings in 4 Quarters	0.35	0.48
Currently an AFDC Case	0.46	0.50
Formerly an AFDC Case (Currently <b>Non-AFDC</b> )	0.26	0.44
Immediate Withholding <b>Case</b> <sup>a</sup>	0.20	0.40

<sup>a</sup>Most recent order occurred when immediate **withholding** was required under state law.

TABLE C.11

STAFF PERCEPTIONS OF THE BARRIERS TO THE EFFECTIVENESS  
OF WITHHOLDING

	Number of Offices	Percent of offices
<b>Lack of Employment Information</b>		
Difficulty in locating employers	11	41 %
Poor or no access to state employment database	3	11
<b>Inability to Withhold from Certain Income Sources</b>		
Inability to attach self-employment income	9	33 %
Unreported/illegal income	6	22
Difficulty in attaching Unemployment Insurance/Workers' Compensation	1	4
Obligor declaring bankruptcy	1	4
<b>Procedural Problems</b>		
Inability to deal with noncooperative employers	8	30 %
Requirement to serve advance notice to obligor	5	19
Missing/unnotorized documents	1	4
Sending notice to employers by certified mail	1	4
Lack of confidentiality when case files have shared information	1	4
Too little use of administrative processes	1	4
<b>Lack of Resources</b>		
Lack of staff		4%
Lack of computer system to link AFDC cases to disbursements		4
<b>Other Problems</b>		
<b>Court's</b> attitude	1	4%
Inability to withhold immediately	1	4
Lack of information and enforcement for interstate withholding	2	7
Child support guideline too high for low income obligors	1	4 %
Failure of <b>obligors</b> to report changes	1	4
Number of Offices Responding	27	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

TABLE C.12

## STAFF SUGGESTIONS FOR IMPROVING INCOME WITHHOLDING

	Number of offices	Percent of offices
Immediate Income Withholding	5	33 %
Better Access to Employment Information	5	33 %
Increased Ability to Withhold Income from Employers in Other States	2	13 %
Policies to Enforce Employer Responsibilities		
Specific procedures to prosecute uncooperative employers	2	13 %
Public relations campaign aimed at employers to explain income withholding	2	13
Simple <u>emolovee</u> remedy when employer withholds but fails to remit the money	1	7
Greater Ability to Reach Income Sources		
Greater ability to withhold self-employment income	2	13 %
Require unions to withhold income or provide employment information	1	7
Make income withholding for military personnel easier	1	7
Other		
Shorten time between initiating withholding and receiving withholding from employers	1	7 %
Child support should be included in pre-sentencing reports	1	7
Number of Offices Responding	15	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.



TABLE C.13

NUMBER OF ABSTRACTED CASES WHERE THE PRESENCE OF A MEDICAL  
SUPPORT ORDER COULD BE DETERMINED BY AFDC AND  
EMPLOYMENT STATUS

	AFDC Cases	Non-AFDC Cases	Total
All cases	625	1,032	1,657
Cases with medical <b>support</b> orders	320	529	850
Cases without medical support orders	305	503	808
Employment Status (for Cases with Medical Support in the Order)			
<b>Employed<sup>a</sup></b>	155	362	516
Not employed	52	55	107
Not Determined	114	113	226

SOURCE: Case-record data on 1,657 IV-D cases with orders where it was possible to determine whether a medical support order existed.

NOTE: Table includes only those cases where it could be determined whether a medical support order existed. This table provides weighted sample size information for Table IV.7.

<sup>a</sup> The category includes those obligors who have no arrearages, for whom no employment information was collected.

TABLE C.14

STAFF **VIEWS** ON CONSTRAINTS THAT LIMIT MEDICAL SUPPORT COLLECTIONS

Constraint	Number of Offices Reporting Constraints	Percent of Offices Reporting Constraints
<b>Insufficient Resources/Time/Staff</b>	<b>13</b>	<b>68 %</b>
<b>Lack of Financial Incentives</b>	<b>3</b>	<b>16</b>
<b>Unclear Procedures and Insufficient Training</b>	<b>2</b>	<b>11</b>
<b>Lack of Coordination Between Agencies</b>	<b>3</b>	<b>16</b>
Medical information regarding expenses for AFDC cases is at the state level	1	5
Lack of information from IV-A agencies	1	5
Lack of communication with IV-A agency to enhance understanding of Medicaid policy	1	5
<b>Problems With Automation/Systems Capabilities</b>	<b>2</b>	<b>11</b>
Need computer link to state Medicaid office	1	5
Need to improve data processing programming capabilities	1	1
<b>Problems Monitoring Compliance</b>	<b>2</b>	<b>11</b>
Difficulty in monitoring lapses in insurance coverage	1	5
Unable to monitor compliance	1	5
<b>Lack of Sufficient Enforcement Authority for the IV-D Agency and Courts</b>	<b>7</b>	<b>37</b>
No definition of "reasonable cost"	1	5
Collection remedies need to be expanded	1	5
Agency cannot deal with medical bills directly and issue withholding remedies on the obligor directly	1	5
No laws requiring coverage for non-resident children	2	11
No contempt laws	2	11
No teeth in laws	2	11
No employer order (to authorize IV-D agency)	2	11

TABLE C.14 (continued)

Constraint	Number of Offices Reporting Constraints	Percent of Offices Reporting Constraints
<b>Lack of Cooperation from the Courts</b>	<b>3</b>	<b>16 %</b>
Court's reluctance to order medical support in addition to basic support	1	5
Need more docket time to allow for enforcement of medical support orders	1	5
Courts, on occasion, won't deal with medical coverage	1	5
<b>Unavailability of Reasonable Cost Health Coverage</b>	<b>6</b>	<b>32</b>
Unavailability or high cost of health insurance	4	21
HMOs will not cover children outside of area	2	11
Number of Office Responding	19	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.  
(10 offices did not list specific constraints.)

NOTE: Staff were asked, "In your opinion, what are the procedural and institutional constraints to increasing medical support collections?" Up to four answers per office were permitted. The numbers citing individual reasons may exceed the number of sites mentioning each more general topic, because an office may have listed several problems which have been grouped under the same general topic.

TABLE C.15

STAFF SUGGESTIONS FOR MAKING MEDICAL SUPPORT  
ENFORCEMENT MORE EFFECTIVE

Suggestions	Number of Offices Offering Suggestions	Percent of offices
<b>Separate and/or Increased Funding</b>	<b>3</b>	<b>16 %</b>
<b>Improved Financial Incentives</b>	<b>3</b>	<b>16</b>
<b>Additional or Dedicated Medical Support Staff</b>	<b>8</b>	<b>42</b>
<b>Additional or Improved Training</b>	<b>1</b>	<b>5</b>
<b>Improved Automation or Information Flow</b>	<b>5</b>	<b>26</b>
Automated interface between IV-D computer system and third party unit	<b>1</b>	<b>5</b>
Inclusion of medical expense information on local computer database	<b>1</b>	<b>5</b>
Automated method for matching respondents and their insurance carriers with court orders that require medical insurance	<b>1</b>	<b>5</b>
More and better information from IV-A agencies	<b>1</b>	<b>5</b>
Ability to interface IV-A agency's system to input insurance data immediately	<b>1</b>	<b>5</b>
On-line access to employer group health plan information	<b>1</b>	<b>5</b>
<b>Stronger Requirements for Establishment of Medical Support Orders</b>	<b>2</b>	<b>11</b>
Mandatory establishment of medical support	<b>1</b>	<b>5</b>
Increased establishment of medical support orders by the courts	<b>1</b>	<b>5</b>
Mandatory responsibility for <b>all</b> medical bills for anyone who does not maintain insurance	<b>1</b>	<b>5</b>
<b>Stronger Requirements for Obligor's to Cooperate</b>	<b>2</b>	<b>11</b>
Requirement that the absent parent provide the court with a statement from the employer regarding medical benefits	<b>1</b>	<b>5</b>
Requirement that <b>obligors</b> obtain medical support if they list dependents on their W-2 forms, <b>unless</b> they can show to the employer that the child is covered on another policy	<b>1</b>	<b>5</b>

TABLE C.15 (continued)

Suggestions	Number of Offices Offering Suggestions	Percent of Offices
<b>Stronger Requirements for Employers and Insurance</b>		
<b>Companies to Cooperate in Enforcement</b>	<b>4</b>	<b>21%</b>
Direct billing to <b>payor's</b> insurance carrier	1	5
Mandatory insurance card for the custodial parent for the <b>payor's</b> insurance company	1	5
Requirement that insurance carriers deal with IV-D investigators, regardless of respondent cooperation	1	5
Requirement that insurance carriers not deny benefits because the respondent failed to complete the prescribed forms	1	5
Requirement that insurance companies send claim checks to vendors	1	5
Requirement that employer notify <b>IV-D</b> agency of medical coverage	1	5
<b>Additional Enforcement Powers for IV-D Agency</b>	<b>3</b>	<b>16</b>
Ability to file against federal tax returns for medical bills	1	5
Legislative provisions that allow IV-D agencies to implement withholding actions on medical orders	1	5
Mandatory <b>enrollment</b> of children via an administrative process when health insurance is ordered	1	5
Federal laws to cover interstate cases with medical support ordered	1	5
<b>Publicity Stressing the Need for Health Insurance Coverage to Employers</b>	<b>2</b>	<b>11</b>
<b>Laws that Increase Availability of Health Insurance to All</b>	<b>4</b>	<b>21</b>
National health insurance	2	11
Make insurance laws consistent	1	5
Legislative provisions that require the employer to provide medical coverage	1	5
Number of Offices Responding	19	

SOURCE: MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

TABLE C.18

## TRENDS IN NATIONAL CHILD SUPPORT ENFORCEMENT PROGRAM CASELOADS, COLLECTIONS AND EXPENDITURES

	FY 1983	FY 1984	FY 1985	FY 1986	FY 1987	FY 1988	FY 1989
<b>Caseload</b>							
AFDC	NA	NA	NA	5,748,715	5,775,947	5,702,758	5,706,576
Percent change since last year					0.5	-1.3	0.1
Arrears Only	NA	NA	NA	1,471,743	1,878,918	1,787,869	1,901,030
Percent change since last year					27.7	-4.3	5.7
AFDC + Arrears Only	5,827,911	6,135,571	6,241,541	7,220,458	7,654,863	7,500,625	7,607,606
Percent change since last year		5.3	1.7	16.7	6.0	-2.0	1.4
Non-AFDC	1,887,958	1,863,407	2,159,025	2,503,432	2,980,519	3,578,978	4,261,748
Percent change since last year		10.4	15.9	16.0	19.1	20.0	10.1
Total	7,515,867	7,998,978	8,400,566	9,723,890	10,635,382	11,077,603	11,869,354
Percent change since last year		6.4	5.0	15.8	9.4	4.2	7.1
<b>Collections (in FY89 dollars)</b>							
AFDC + Arrears Only	\$1,091,908,305	\$1,182,175,321	\$1,253,267,936	\$1,374,994,528	\$1,471,348,551	\$1,557,095,154	\$1,593,253,521
Percent change since last year		9.2	6.1	0.7	7.0	5.8	2.3
Non-AFDC	\$1,420,103,992	\$1,642,148,424	\$1,844,289,387	\$2,285,441,598	\$2,802,841,863	\$3,277,789,724	\$3,856,497,809
Percent change since last year		15.6	12.3	22.8	23.7	17.0	11.8
Total	\$2,512,012,297	\$2,834,323,744	\$3,097,557,302	\$3,640,436,124	\$4,273,990,213	\$4,834,884,878	\$5,249,751,330
Percent change since last year		12.8	9.3	17.5	17.4	13.1	8.8
<b>Collections per Case (in FY89 dollars)</b>							
AFDC + Arrears Only	\$187	\$194	\$201	\$190	\$192	\$208	\$209
Percent change since last year		3.7	3.8	-5.5	1.1	8.3	0.5
Non-AFDC	3841	3881	\$854	\$905	\$940	\$916	\$858
Percent change since last year		4.8	-3.1	6.0	3.9	-2.8	-6.3
Total	3334	3354	\$369	\$374	3402	\$438	3442
Percent change since last year		6.0	4.2	1.4	7.5	8.5	1.4

TABLE C16 (continued)

	FY 1983	FY 1984	FY 1985	FY 1986	FY 1987	FY 1988	FY 1989
<b>Collections per Case (Cases with Positive Collections)</b>							
AFDC + Arrears Only	\$1,836	\$1,844 0.4	\$1,832 -0.7	\$1,858 1.4	31,327 -1.7	\$1,941 6.2	\$1,854 -4.5
Non-AFDC	\$2,801	\$3,001 7.1	\$2,821 -5.0	\$2,883 2.2	\$3,000 4.1	\$3,026 0.8	\$2,834 3.0
Total	\$2,280	\$2,374 4.1	\$2,315 -2.5	\$2,386 3.1	\$2,457 3.0	\$2,585 4.4	\$2,483 -2.3
<b>Percent of Cases with Collections</b>							
AFDC	NA	NA	NA	10.1	10.5	10.9	11.5
Percent change since last year					4.0	3.3	5.5
Arrears Only	NA	NA	NA	10.3	10.5	10.1	10.5
Percent change since last year					-2.5	-3.8	5.0
AFDC + Arrears Only	10.2	10.5	11.0	10.2	10.5	10.7	11.3
Percent change since last year		2.9	4.3	-7.3	2.9	1.8	5.8
Non-AFDC	30.0	29.4	30.3	31.1	31.3	30.3	29.2
Percent change since last year		-2.0	3.1	3.5	-0.3	-3.2	3.5
Total	14.7	14.9	15.9	15.7	15.4	17.0	17.7
Percent change since last year		1.4	6.7	-1.3	4.5	3.7	4.1
<b>Expenditures (in FY88 dollars)</b>							
AFDC	NA	NA	\$595,700,014	\$714,399,281 19.9	\$705,384,088 -1.3	\$782,074,091 10.9	\$831,728,051 6.3
Non-AFDC	NA	NA	\$170,279,388	\$324,884,457 90.5	\$398,637,422 22.7	\$440,303,320 10.5	\$528,109,745 19.9
Total	NA	NA	\$765,979,399	\$1,039,283,739 35.7	\$1,104,021,510 5.2	\$1,222,377,412 10.7	\$1,359,837,796 11.2
<b>Expenditures per Case (in FY88 dollars)</b>							
AFDC	NA	NA	\$95	\$99 4.2	\$92 -7.1	\$104 13.0	\$109 4.8
Non-AFDC	NA	NA	\$79	\$130 54.6	\$134 3.1	\$123 -3.2	\$124 0.8
Total	NA	NA	\$91	\$107 17.3	\$104 -2.5	\$110 5.3	\$115 4.5

TABLE C.16 (continued)

<b>SOURCE:</b> OCSE Annual Reports for fiscal years 1987 and 1989, Volume II. In particular:	
<b>Caseload Data:</b>	FY87 Report, Tables 27, 28, 31 FY89 Report, Tables 45-49
<b>Collections Data:</b>	FY87 Report, Tables 6-8 FY89 Report, Tables 8, 9, 12
<b>Number of Cases with Collections:</b>	FY87 Report, Table 32, 34, 36 FY89 Report, Table 50-54
<b>Expenditure Data:</b>	FY89 Report, Tables 32,33
<b>NOTE:</b> Collections data have been converted to FY89 dollars using the Consumer Price Index.	



TABLE C17

TRENDS OVER **TIME** IN KEY INDICATORS OF CHILD SUPPORT FOR MOTHERS  
WHOSE INCOME IS BELOW THE POVERTY **LEVEL**

	1978	1981	1983	1985	1987
Percent with Child Support Award*	38%	40%	43 <b>%</b>	40%	44%
Percent Supposed to Receive Payments	<b>30</b>	31	32	32	39
Percent with Payments	18	19	<b>20</b>	21	<b>28</b>
Number of Mothers Below Poverty Level (Thousands)	1,973	<b>2,566</b>	2,898	<b>2,797</b>	3,191

SOURCE: U.S. **Bureau** of the Census, "Child Support and Alimony 1987," Table B.

<sup>a</sup> Award status is as of April **1979, 1982, 1984, 1986** and 1988.

TABLE C.18

COMPARISONS BETWEEN AFDC AND NON-AFDC USERS  
AND NONUSERS OF THE IV-D PROGRAM

Characteristics	AFDC	Non-AFDC	
		Users of IV-D Program	Non-Users
<b>Race</b>			
White	49 %	77 %	74 %
Black	48	20	23
<b>Age</b>			
Under 20	5 %	5 %	4 %
20-29	48	27	24
30-39	34	49	41
40 +	12	20	31
<b>Marital Status</b>			
Remarriage	5 %	36 %	30 %
Divorced/separated	40	45	48
Never married	55	19	21
<b>Number of Children</b>			
1 child	42 %	56 %	60 %
2 children	34	33	30
3 children	23	11	10
<b>Education</b>			
Less than 12th grade	42 %	17 %	17 %
High school graduate	44	50	45
Some college	12	24	24
College graduate +	2	9	13
<b>Employer</b>			
Full time/full year	4 %	49 %	55 %
Part time/full year	3	8	7
Non-worker	66	18	15
<b>Poverty</b>			
Up to 150% of poverty	95 %	39 %	35 %
150-299% of poverty	4	33	33
300% or above poverty	1	28	31

SOURCE: Mellgren (1990), Table 11.2.

TABLE C.19

COMPARISONS BETWEEN **NON-AFDC** USERS OF THE IV-D PROGRAM  
WITH AND WITHOUT AWARDS

Characteristics	Mothers With Awards	Mothers With No Awards
Race		
White	84 %	<b>55</b> %
Black	13	43
Age		
Under 20	1 %	16 %
20-29	21	42
30-39	53	34
40 +	24	8
Marital Status		
Remarriage	44 %	8 %
Divorced/separated	48	36
Never married	7	55
Number of Children		
1 child	53 %	68 %
2 children	35	24
3 children	12	8
Education		
Less than 12th grade	14 %	26 %
High school graduate	50	48
Some college	24	22
College graduate +	11	4
Employer		
Full time/full year	51 %	41 %
Part time/full year	8	7
Non-worker	16	25
Poverty		
Up to 150% of poverty	31 %	62 %
<b>150-299%</b> of poverty	37	24
300% or above poverty	32	14

SOURCE: Mellgren (1990), Table II.3.

TABLE C.20

STAFF TIME DEVOTED TO NON-AFDC CASES BY THE PROPORTION OF  
NON-AFDC CASES IN THE TOTAL CASELOAD  
(Entries Are the Number of Offices in Each Category)

		Percent of Cases That Are <b>Non-AFDC</b>					Total
		Missing	<b>0-20%</b>	21-40%	<b>41-60%</b>	61-80%	
Percent of Staff Time Devoted to Non-AFDC Cases	Missing	1	0	0	1	0	2
	<b>0-20%</b>	0	0	0	0	0	0
	21-40%	1	0	1	1	0	3
	<b>41-60%</b>	1	1	7	7	2	18
	<b>61-80%</b>	2	0	3	1	0	6
Total		<b>5</b>	1	11	10	2	29

**SOURCE:** MPR surveys of local IV-D office staff, completed largely in fall and winter 1990-1991.

TABLE C.21

THE PROPORTION OF NEW **STAFF** THAT WOULD BE ALLOCATED TO NON-AFDC CASES BY  
THE PROPORTION OF CURRENT STAFF SERVING NON-AFDC CASES  
(Entries Are the Number of Offices in Each Category)

		Percent of Staff Devoted to Non-AFDC Cases					Total
		Missing	0-20%	21-40%	41-60%	61-80%	
Percent of New Staff Who Would Be Devoted to Non-AFDC Cases	Missing	0	0	0	0	3	3
	0-20%	0	0	1	3	0	4
	21-40%	1	0	1	4	0	6
	41-60%	0	0	0	10	1	11
	61-80%	1	0	0	1	1	3
	81-100%	0	0	1	0	1	2
Total		2	0	3	18	6	29

SOURCE: MPR surveys of local IV-D office **staff**, completed largely in fall and winter 1990-1991.

APPENDIX D

CUSTODIAL PARENT  
ADVOCACY GROUP INTERVIEWS

1984 **Child Support** Amendments **Project**

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## SECTION I THE INTERVIEW PROCESS

This report describes a series of telephone interviews conducted with representatives of custodial parent advocacy groups during the Winter of 1990/1991. The interviews were conducted to gain additional information about how passage of the 1984 Child Support Amendments has affected the administration of the child support program at the local level.

### A. Source of Sample

The telephone interviews were conducted to supplement other information gained about local administration (through case reviews and staff interviews), so respondents were sought in the jurisdictions that had already been studied as part of the evaluation of the 1984 Child Support Amendments. During that earlier data collection process, local IV-D agency staff were asked to provide the names of potential respondents. The names of several individuals representing advocacy groups at the national level were also provided as potential respondents.

### B. Description of Interview

A structured instrument was devised to guide the interviews, although respondents were encouraged to discuss other relevant topics if they felt it would contribute to a well-rounded understanding of how the IV-D program is administered in their locality. A copy of the interview form is attached in Appendix A to this report.

Most of the interviews took between 45 and 60 minutes. The more knowledgeable the respondent, the longer the interview, since considerable detail was sometimes provided. Respondents were assured that their replies would be consolidated with those of other respondents and that they would not be identified in any way in this report.

### C. Profile of Respondents and Their Organizations

A total of fifteen interviews were conducted with respondents in eleven states and at the national level. All of the respondents were official representatives or members of organized groups that conducted some type of child support advocacy activity. About half of those organizations were focused solely on the topic of child support. The other half of the organizations represented listed child support as one topic being addressed in addition to others such as spousal and **child** abuse, legal rights for women,



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and child advocacy. The majority of these organizations were founded after 1985, but several had been in existence for more than twenty years.

When asked to describe the population represented by their organization, the respondents all indicated that low and lower-middle income custodial parents made up the bulk of the membership. Several respondents explained that their organization primarily serves those custodial parents who are working (and not receiving public assistance) but are not earning enough to afford a private attorney to secure action in a child support case.

Most respondents reported that their membership is built primarily through word-of-mouth referrals. In some instances, custodial parents are referred to the organizations by private attorneys. A couple of organizations actively advertise their services through advertising, special events, and newsletters. Membership on the local level varied from 5 to 500 members, with an average membership of about 250.

The extent of contact that the respondent had with the local IV-D agency varied. Of the fifteen individuals interviewed, ten have been or are currently obligees in a child support case. The remaining five respondents are paid employees of the organization they represent and have not been personally involved in a child support case. The level of contact between the agency and the advocacy organization varied from daily telephone calls to "we only see them in court." Most respondents reported that their organization does pursue action on behalf of specific cases.

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## SECTION II

### SERVICES TO NON-AFDC OBLIGEEES

#### A. Outreach

Outreach efforts were considered by nearly all respondents to be seriously inadequate, although some attempts to reach potential clients were reported:

- ▶ One agency publishes a notice about tax offset services annually but does not offer outreach
- ▶ Another agency has put up billboards saying that it is a crime to not pay child support
- ▶ Several agencies have a brochure describing services and application procedures that are mailed out upon request and/or placed in other County offices
- ▶ One agency does sporadic public service announcements on television
- ▶ In one state, the agency is required by law to conduct outreach to new mothers with children born out-of-wedlock

Only one agency was given high marks for outreach efforts. In this instance, information on potential services is sent out with support checks, regular information meetings are held, and a telephone information “hot line” is maintained.

However, in all the other interviews, respondents felt that the agency in their locality made no consistent or substantial effort to publicize the services available to non-AEDC obligees. One respondent reported a belief that the agency doesn’t want anyone to know about non-AFDC services because it would just create new demands on an already over-loaded staff. Two respondents reported that, because of the lack of outreach on the part of the agency, a main focus of their organization is educating obligees about the services they are owed. One respondent noted that, even when written materials are available, they are not written with the detail and focus appropriate for the audience that would most benefit from them.

#### B. Application for Services

**Convenience.** In nearly all cases, respondents felt that applying for non-AFDC services was not convenient. The most commonly mentioned problem was the

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requirement for an interview that could be scheduled only during normal business hours. Respondents explained that this time-frame for interviews made it very difficult for working obligees to apply. One respondent did report that the agency is open one evening a week for the purpose of taking applications.

In most cases, it was possible to request an application form by mail prior to the interview. One agency even permitted candidates to file by mail, but it was reported to be nearly impossible to reach the agency by telephone to request the application form.

***Discouraging applications.*** Twelve respondents reported that potential applicants were discouraged by descriptions of how long it would take to get any action on their case. Two respondents felt that applicants were encouraged to apply. One respondent felt unable to make a judgement on this point. Respondents reported that intake staff comments included:

- ▶ Apply and pay your fee and we'll get to your case in a year
- ▶ You might see some results in 6 months to 2 years
- ▶ It'll be next summer
- ▶ Don't bother calling before 6 to 8 months
- ▶ Go home and come back when you have both a social security number and an address for the absent parent

In other instances, intake workers were reported to have indicated less by their specific words and more by their attitude that there was little reason to hope for any action. One respondent felt that obligees were understanding of the potential delays in processing their case and were not discouraged by agency staff. Another respondent believed that descriptions of delays were not a major deterrent to applicants.

One respondent felt that the practice of discouraging applicants was a result not of any ill intent but of a natural instinct for self-preservation. This respondent explained that, because they are already so overworked, agency staff would be "crazy" to encourage applicants.

***Special assistance provided.*** Most of the respondents were unaware of any special assistance provided, although they felt that such services might be provided. Two respondents believed there was some kind of general help extended but were not sure

what it was. Two respondents mentioned that assistance is given to Spanish-speaking applicants, while another respondent mentioned that agency staff help illiterate applicants complete the necessary forms. One respondent said that even disabled applicants are required to make an office visit. Another respondent described a national survey of information provided to teen parents that revealed a general lack of materials written in Spanish.

***Intake and post-application interviews.*** Most respondents did not feel that these interviews were effective. After intake, caseworkers were often seen as inaccessible. In one jurisdiction, intake workers were only available to clients once a week. One respondent felt that the effectiveness of these interviews was largely dependent on the individual worker involved.

### **C. Fees and Costs**

***Application fees.*** Application fees were reported by most respondents. The amount of the fee was reported to be from \$5 to \$65. Most respondents felt that any application fee greater than \$10 discouraged applicants. At the top of the range the fee was seen as a very serious deterrent to potential applicants.

The extent to which the fee was a barrier to applicants seemed also dependent on the circumstances under which the fee would be waived. When it was easy to have the fee waived, it was not always viewed as a major barrier. When it was difficult to have the fee waived, the fee was viewed as a substantial barrier. In one jurisdiction, the fee could be waived only when the household income (including that of any new spouse) fell below \$10,000 per year.

Respondents were asked to quantify the extent to which application fees discourage potential clients from applying for **non-AFDC** IV-D services. Only two respondents felt that the fee did not discourage any applicants. One respondent felt that a "very large" proportion of potential applicants do not apply because of application fees. She pointed out that "Single mothers who are owed child support are already living on the edge."

The questions about application fees produced some of the most puzzling results from this informal survey. It is clearly illegal to charge more than \$25 for an application for services yet several respondents reported higher fees. One respondent speculated that obligees may perceive that the total dollar amount paid at the time of application is the actual "application fee," when in fact that amount may also include fees for locate searches or tax offsets.

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***Fees for special services.*** Several respondents were unclear about this area of agency policy. Those with knowledge of fees for special services mentioned the following items:

- ▶ A fee for paternity tests (\$250 and \$275 was cited)
- ▶ A fee for income tax offset (\$10 in one area)
- ▶ A fee for an order modification (\$25)
- ▶ A fee for serving warrants (\$40 was quoted for this service)
- ▶ An annual fee to continue to receive non-AFDC IV-D services (\$10)
- Fees to file papers in court
- ▶ Attorney fees (it was not clear whether this was actually assessed by the **agency** or just a perceived additional and necessary cost)

When respondents had knowledge of special fees, they generally felt that applicants who needed the services of the agency did not pursue them due to a lack of financial resources. However, in one case the opinion differed. This respondent believed that the fees assessed for attorneys were so much lower than private attorney rates that the presence of the fee was not a significant deterrent.

***Costs recovered from custodial parent.*** Several applicants mentioned that custodial parents are expected to pay for blood tests required to establish paternity and that this amount is sometimes withheld from subsequent support payments. One respondent said that the custodial parent is only held liable for the cost of a blood test if that test fails to indicate that the alleged father has a statistical probability of being the father. One respondent mentioned that guardian ad litem fees were recovered from subsequent support payments.

Respondents felt that, when applied, the cost recovery policy for blood tests was a very strong deterrent to custodial parents seeking a paternity action. However, virtually all of the respondents felt unable to estimate how many potential applicants do not apply because of the state cost recovery policy.

***Explanation of fees and costs.*** Most respondents believed that the agency in their jurisdiction did not do a good job of explaining fees and cost recovery. One respondent said that the fee for blood tests, in particular, came as a “big surprise.”

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On the other hand, five of the respondents felt they could not evaluate this aspect of agency performance. And, one respondent believed that the agency must be doing an adequate job of explaining special fees since this topic generates few complaints.

#### **D. Services Provided**

Respondents were asked to describe how well the agency does with the various types of services available to non-AFDC clients. Specific comments about service areas follow in this section. First, to summarize the responses given, the table below shows which of the respondents felt negatively or positively about agency performance and which did not have enough information to respond.

SERVICE AREA	POSITIVE RESPONSE	NEGATIVE RESPONSE	DIDN'T KNOW
Paternity establishment	5	7	3
Location	5	8	2
Initial orders	5	4	6
Income withholding	8	4	3
Contempt of court	6	5	4
Federal tax offset	9	4	2
State tax offset	6	1	8
Upwards modifications	6	6	3
Defense against downward mods	2	8	5
URESA processing in general	1	13	1

***Paternity establishment.*** Even when paternity establishment was provided as a service, respondents reported that it took a long time. One respondent reported that paternity establishment took “at least a year.” Another complained that paternity establishment is “at the bottom of the list.” Yet another respondent explained that the paternity backlog is “horrible.”

***Location.*** Respondents had few kind words for the agencies on this point. Most respondents said that they were responsible for finding the absent parent and

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## **Section II**

requesting agency action on their behalf. One respondent said that a staff member told an obligee that she must provide not only a street address but also a map to the obligor's house. Another respondent felt that the agency did not make good use of access to other state data bases that would help to locate the absent parent. However, one respondent felt that location activities were "good." Another respondent said that a new computer system was intended to improve location services but that the agency made no attempt to verify address information before loading it into the computer, so no great improvement was anticipated. Finally, one respondent praised the regional parent locator system as an excellent source of information for her state.

***Establishing the initial order.*** All agencies were reported to provide this service to non-AFDC obligees, but some respondents felt it took too long.

***Enforcement through income withholding.*** Reviews were mixed on this point. Three respondents felt that agency efforts in this direction were effective. Others who were negative expressed frustration over the difficulty of using this enforcement technique with seasonal, contract, or self-employed obligors. One respondent mentioned that several major federal agencies in her jurisdiction seem to think that they are exempt from income withholding procedures and have been very uncooperative.

***Enforcement through contempt of court judgement.*** Respondents reported that the key factor in this enforcement technique is whether anyone actually goes to jail. If non-compliance with the contempt ruling is not penalized, respondents felt that it had no positive effect.

***Enforcement through federal tax offset.*** There were mixed reviews on this point. One respondent said it didn't do any good in her case because her ex-husband already owed the IRS and they intercepted the tax refund before she could. Another respondent reported that when she requested a tax offset, the caseworker claimed ignorance about the procedure. A third respondent said that the effective use of this enforcement technique varied from caseworker to caseworker. However, one respondent rated this enforcement technique as "very effective."

***Enforcement through state tax offset.*** One respondent reported that there was no state tax where she lives. Other respondents seemed vague about or unfamiliar with this enforcement option. Some rated it an effective enforcement technique.

**Upward modifications.** *In two* cases, respondents reported that the agency is pursuing upward modifications. The other respondents had no knowledge of any agency action to seek upward adjustments.

**Defense against downward modifications.** *In two* instances the respondents were aware of agency attempts to defend against downward adjustments. One reported that those efforts are not always successful. The other respondent in this category described a situation where the agency intervened on behalf of a homeless obligee whose award was to be lowered through court action. One respondent believed that states tend to give these cases lower priority since they raise difficult issues of legal representation.

**URESA processing in general.** This was a hot topic for the respondents and they contributed many comments beyond the simple rating of service. Comments included:

- ▶ This is the greatest problem area
- ▶ The problem is with the other states
- ▶ The problem is with my state
- ▶ It is difficult to tell who is responsible for the problems — my state or the other state
- ▶ The agency always blames delays on the other state, but it is really their problem
- ▶ It takes at least 18 months to get any action
- ▶ About 7 states do a good job

Several respondents mentioned that although URESA actions are initiated, agencies rarely track the disposition or make any effort to get action.

## **E. Collection and Distribution of Payments**

**Breaks in support payments.** When asked whether a break in support collection affected service, respondents offered a variety of answers. Many respondents said that

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the agency didn't notice when a break occurred and that the obligee had to inform the agency. In some of these cases, it was also reported to be necessary for the custodial parent to reapply for services.

Other respondents said that the agency knew when a break in collection occurred (a computer system was mentioned positively as a major aid in this regard) and that it was not necessary for the obligee to initiate action or reapply for services. However, one respondent said that even though the agency knows about breaks in service, sometimes no action is taken.

**Timely distribution.** This question also prompted a variety of answers. Two respondents reported a belief that the distribution of payments would be more timely but that the agency deliberately held payments in interest bearing accounts. One advocacy group sought and gained state legislation to prevent this practice.

The other respondents felt that distribution of payment was done in a relatively timely manner. They reported that payments were issued within 2 to 30 days of receipt. Interstate processing was recognized by one respondent as a special complication in payment processing and a cause of delay. One respondent noted that the delays in distribution were the fault not of the IV-D agency, but of the courts that receive the money and are currently understaffed. Another respondent felt that the speed with which payments are processed is directly related to the level of automation. She believed that increased computerization brings faster payment processing.

### F. **Non-AFDC Cases and the Agency**

**Restrictions on non-AFDC services.** One respondent reported that the agency in her area does not inform non-AFDC cases that it can perform locate-only services. Three respondents reported that no special restrictions are placed on non-AFDC services. The remaining respondents felt that the agency does not make any effort to serve obligees with private attorneys and that any obligee with an attorney usually does not seek help from the agency.

**Equal treatment.** When asked whether AFDC and non-AFDC cases receive equal treatment from the agency, the respondents were about equally divided in their reply. Half said that the services were equal (although two members of that group said services were 'equally bad' for both AFDC and non-AFDC). The other half reported either that services were not provided on an equal basis or that clients perceived non-AFDC cases as being lower priority. One respondent wasn't sure about this point. One respondent felt that, although it was very difficult for non-welfare cases to get into

the IV-D program, once they succeeded, they received better service. She attributed this to the greater success non-welfare obligees seem to have at being “squeaky wheels.”

One respondent described two specific differences in treatment between AFDC and non-AFDC cases. First, representatives of the district attorney’s office are physically located at the court that provides services for AFDC and never-married obligees not on AFDC. Attorneys are therefore unavailable to assist non-AFDC obligees who have been married. Second, obligees serviced by the AFDC/never-married court are not required to make an appointment to apply for services. Non-AFDC obligees who have been married must make an appointment by telephone for an intake interview and the telephone lines are nearly always busy.

**Contact with caseworkers.** Like interstate processing, this was a topic about which the respondents had a great deal to say. One respondent felt that agency staff really tried to keep obligees informed and initiated actions on their behalf. One respondent did not have enough information to respond.

The remaining respondents were uniformly negative about what one of them termed an “adversarial relationship” with agency staff. One respondent reported that her caseworker hung up on her; another wasn’t informed until later that her case had gone to court. One respondent said that turnover among agency staff is so bad that she often doesn’t know who her caseworker is. Several respondents mentioned that they had been told that information about their case (and paper documents in their files) were “confidential” and not intended for their review. Overly large caseloads and caseworker bum-out were mentioned as possible causes for these negative relationships.

**Initiating services.** Respondents were also asked whether agency staff suggested actions that might assist the obligee. With the exception of one respondent who did not have enough information to evaluate this, the entire group of respondents reported that caseworkers never initiated any action on their behalf. One respondent felt that caseworkers sometimes weren’t aware of the range of actions that could be taken. Another respondent felt that action was taken only when it would be financially beneficial to the state. Yet another respondent felt that more creative collection methods - such as initiating liens and bonds - were rarely undertaken by agency staff without prompting from the obligee.

**Transition from AFDC.** Respondents were also asked to describe what happened when an obligee left AFDC. Two respondents had no information on this point. Six

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respondents said that cases were automatically transferred to non-AFDC status within the IV-D program and that services were continued. Another respondent reported the same continuation, but only if an arrearage balance existed.

The remaining respondents reported that, when a case leaves AFDC, it is necessary to reapply to the agency for continuing IV-D services. However, even when the transition was automatic, some respondents mentioned that the process was “messy,” often because several unrelated computer systems were involved. The disbursement of payments in these cases were delayed due to the transition from AFDC to non-AFDC status.

The reported reapplication requirement is the second surprising result of this survey, since by law the case must be continued on IV-D services even after it goes off welfare. One possible explanation is that when the case is transferred from an AFDC computer system to a IV-D computer system, the obligee might be required to complete some sort of data entry sheet that is perceived as an “application.”

### **G. Application of Child Support Guidelines**

The majority of respondents reported that the child support guidelines were being properly and consistently applied in the majority of cases. Some respondents felt that the extent to which the guidelines are *strictly* applied is dependent on the hearing examiner or judge.

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### SECTION III INCOME WITHHOLDING

#### A. Automatic Application of Income Withholding

The majority of the respondents reported that income withholding is being automatically applied to all new cases and all newly modified cases. However, one respondent didn't know, while two others believed that it is not routinely used. One respondent said she had "Never heard of it being done." Yet another respondent reported that judges offer income withholding as an option in new cases but ask that both parties in the divorce agree before ordering it. One respondent felt that the extent to which income withholding is applied is largely dependent on the extent to which the judiciary understand the value of the approach. She felt that, if the agency made an attempt to educate judges on this point, income withholding was usually consistently applied.

#### B. Effect of Income Withholding

*Effect on timeliness.* Reports were mixed on the effect of income withholding on the timely receipt of payments. Some respondents reported that it has definitely helped to speed up payments. Another felt that it has had little effect. Two respondents felt that it delays the distribution process.

Those two respondents attributed this delay to employers who hold payments to collect interest before sending them on to the agency for processing. A couple of respondents mentioned that the timely receipt of payments through income withholding was affected by two factors: employer cooperation and job stability. If the employer is reluctant to cooperate, payments may actually take longer. If the obligor does not have a stable job, the effort to establish and maintain income withholding is believed to actually cause delays in receipt of payments.

*Problems with income withholding.* The respondents felt that the biggest difficulty with income withholding was applying it when the obligor is self-employed, works seasonally or under contract, or uses frequent job changes to avoid income withholding. Some agencies were felt to be slow in responding to these fluid situations. One respondent felt that it was a problem that income withholding is not required for support orders established prior to 1984.

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### **Section III**

Another respondent reported that some employers seem to believe that child support payments can be made on a quarterly basis, much like federal tax deposits. This practice of infrequent transfer of funds to the agency can substantially delay the disbursement process.

**Effect on extent of collections.** *The* respondents, whose views varied widely on most issues, were almost unanimously enthusiastic about the effect of income withholding on the extent of child support collected. They felt that it was a powerful tool for collection. One respondent said that income withholding had a “tremendously positive effect.”

**Satisfaction with agency procedures.** Although the agencies received several “good” ratings on their income withholding procedures, some respondents mentioned that the agency can be very slow in responding to information about new jobs and is therefore slow in establishing income withholding arrangements with the new employer. It was this slow response, they believed, that encouraged obligors to change jobs frequently to avoid income withholding. Overall, respondents reported that agencies take a long time to set up an income withholding order but that once the procedure is established, it works well.

### **C. Income Withholding Procedures**

**Suggested changes to procedures.** A number of suggested changes to income withholding procedures were mentioned:

- ▶ Increase computerized support for the process
- ▶ Enforce existing laws
- ▶ Track deliberate “job hoppers” and penalize them
- ▶ Take the initiative to find the new employer when notified that employment has terminated
- ▶ Apply income withholding for all cases because it removes the implication that it is a penalizing action
- ▶ Implement it in conjunction with a central payment registry to make employer cooperation easier and more likely

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### *Income Withholding*

One respondent also mentioned the need to publicize income withholding as a collection option. In her jurisdiction, most obligees believe (incorrectly) that it is necessary to have an attorney to have income withholding established.

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*Section III*

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## SECTION IV MEDICAL SUPPORT ORDERS

### A. Medical Support Enforcement

Respondents had a broad range of responses to questions about how and when medical support orders are enforced. Two respondent said that they are *frequently* enforced. Four respondents said that they are *never* enforced. However, most respondents said that, although they knew of some cases when medical support orders were enforced, it happened infrequently. In fact, one respondent said that for a considerable period of time, no one was assigned to this function within the agency. Most respondents felt that medical support enforcement was applied about equally for AFDC and non-AFDC cases.

When enforcement occurred, it seemed to take the form of a court hearing to reinforce the requirement that the obligor must carry medical insurance for the children under certain circumstances.

### B. Difficulty in Securing Services

Some respondents did report that it was difficult to get medical services for a child because of the confusion surrounding medical support orders, even when that child was covered by the obligor's insurance plan. Specific examples were given:

- ▶ State law states that the person who brings the child in for service is responsible for paying, even when that isn't the obligee
- ▶ Some obligors withhold policy numbers and the insurance company will not release that information to the obligee or a doctor over the telephone
- . It is unclear who must pay a co-payment at the time of service and sometimes the custodial parent must make that payment before the doctor will examine the child
- ▶ Some doctors require payment at the time of service and force the obligee to file for reimbursement — and then the insurance company sometimes sends the reimbursement to the obligor by mistake
- ▶ Some obligees simply cannot afford to pay at the time of service and wait for reimbursement that may never come



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#### *Section IV*

- ▶ Some health care organizations will not cover children who do not live within the non-custodial parent's designated geographic region
- ▶ Some plans allow the addition of dependents only during **"open enrollment"** periods — and the obligee is unlikely to know when those periods occur

Two respondents reported no significant problems with securing medical services for children covered by medical support orders.

#### **C. Other Problem Areas**

Several respondents mentioned that the state law that governs the application of medical support requirements, especially child support guidelines, is too ambiguous and allows considerable variation on the part of the judges. They would like to see more detailed descriptions of what is required on the part of the obligor. In particular, they felt that responsibility for payment of deductibles and co-payments was far too ambiguous and often fell, by default, to the obligee. One respondent felt that obligors should be required to carry some kind of insurance for the children, regardless of 'reasonable cost.'

One respondent reported that the practice of ordering medical support in a general sort of way is virtually unenforceable by law. She would like to see the courts order a dollar figure that is devoted to payment of health insurance premiums and believes that this approach would be much more enforceable. This respondent also felt that stronger leadership from the federal level is needed to make medical support an effective part of the child support program.

Some respondents felt that the general lack of penalties for non-compliance led obligors to devise ways to avoid the medical support requirement. One respondent said that her ex-husband allows his hours to drop below a union-defined minimum to make himself unavailable for medical coverage at "reasonable cost."

#### **D. Medical Support Procedures and Policies**

Respondents would like to see the agency playing a greater role in detecting and addressing non-compliance with medical support orders. As one respondent put it, when it comes to medical support **"We're** really just on our own."

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### *Medical Support Orders*

A couple of the respondents would like to see more agency staff devoted to medical support enforcement. One respondent reported that two caseworkers are currently assigned to enforce medical support orders for more than 39,000 cases.

Enforcement was really seen as the key issue surrounding medical support. One respondent explained that the agency seems to feel that medical support is a “fringe benefit” and makes it a lower priority than child support collection. Another respondent explained that ‘Lack of enforcement results in poor medical care for children. They are forced to use public health care, which means a lack of follow-up, long waits, and exposure to lots of other illnesses.’ She expressed a belief that some obligees choose to go on welfare simply because they know that their children will receive Medicaid. In support of this point, one respondent explained that “it is hard to tell someone to go off welfare when it means that she and her children are likely to have no health insurance if they do.”